

PROSPECTUS



ODFJELL TECHNOLOGY LTD

(An exempted company limited by shares incorporated under the laws of Bermuda)

Admission to listing of Odfjell Technology Ltd FRN Senior Secured NOK 1,700,000,000 bonds 2024/2028 on the Oslo Stock Exchange

This prospectus (the "**Prospectus**") has been prepared by Odfjell Technology Ltd, an exempted company limited by shares incorporated under the laws of Bermuda ("**Odfjell**" or the "**Issuer**", and together with its subsidiaries, the "**Group**") in connection with the listing (the "**Listing**") on Euronext Oslo Børs, a stock exchange being part of Euronext and operated by Oslo Børs ASA (the "**Oslo Stock Exchange**"), of the Odfjell Technology Ltd FRN senior secured NOK 1,700,000,000 bonds 2024/2028 with ISIN NO0013326090, issued by the Issuer on 16 September 2024 (the "**Bonds**" or the "**Bond Issue**").

The Bonds are registered in Euronext Securities Oslo, the Norwegian Central Securities Depository (the "**CSD**") in book-entry form. All Bonds rank in parity with one another.

The Bonds are expected to be listed and tradable on the Oslo Stock Exchange on or about 11 April 2025 under the ticker code "OTL02".

THIS PROSPECTUS SERVES AS A LISTING PROSPECTUS ONLY. THE PROSPECTUS DOES NOT CONSTITUTE AN OFFER, OR INVITATION TO PURCHASE, SUBSCRIBE OR SELL, ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO BONDS, SHARES OR OTHER SECURITIES ARE BEING OFFERED OR SOLD IN ANY JURISDICTION PURSUANT TO THIS PROSPECTUS.

Investing in the Bonds involves a high degree of risk. Any prospective investors should read the entire Prospectus, and in particular consider Section 1 "Risk factors", when considering an investment in the Bonds.

The distribution of this Prospectus may be restricted by law in certain jurisdictions. Persons in possession of this Prospectus are required by the Issuer to inform themselves about and to observe any such restrictions. Any failure to comply with these regulations may constitute a violation of the securities laws of the relevant jurisdiction. See Section 10 "Selling and transfer restrictions".

Managers



8 April 2025

IMPORTANT INFORMATION

This Prospectus has been prepared by the Issuer solely for use in connection with the Listing of the Bonds on the Oslo Stock Exchange.

This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**") and related secondary legislation, including the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended, and as implemented in Norway in accordance with section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**") and the bond rules issued by the Oslo Stock Exchange and comprises. This Prospectus has been prepared solely in the English language.

This Prospectus has been approved by the Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*) (the "**Norwegian FSA**"), as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Prospective investors should make their own assessment as to the suitability of investing in the securities.

The Issuer has engaged Danske Bank, Norwegian branch, and DNB Markets, part of DNB Bank ASA as managers in connection with the Bond Issue (the "**Managers**").

Unless otherwise indicated, the information contained in this Prospectus is current as of the date hereof and is subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, every significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus, which may affect the assessment of the Bonds and which arises or is noted between the date of this Prospectus and the Listing, will be presented in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

All inquiries relating to this Prospectus should be directed to the Issuer. No person is authorized to give information or to make any representation concerning the Group in connection with the Listing other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorized by the Issuer or the Managers or by any affiliates, representatives, advisors or selling agents of any of the foregoing.

Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents, is prohibited.

An investment in the Bonds involves inherent risks. Potential investors should carefully consider the risk factors set out in section 1 "*Risk Factors*" in addition to the other information contained herein before making an investment decision. An investment in the Bonds is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of their entire investment. In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Group and the Bonds, including the merits and risks involved. Neither the Issuer nor any of its advisers are making any representation to any purchaser of the Bonds regarding the legality of an investment in the Bonds by such purchaser under the laws applicable to such purchaser. The contents of this Prospectus do not constitute legal, tax, business, or financial advice, and each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Bonds.

This Prospectus does not constitute an offer of, or an invitation to purchase or sell any of the securities described herein in any jurisdiction in which such offer or sale would be unlawful. The distribution of this Prospectus and the offer and sale of the Bonds may in certain jurisdictions be restricted by law. The Issuer has not registered the Bonds under the U.S. Securities Act, and does not expect to do so in the future. The Bonds may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S under the Securities Act), except for pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities law, or pursuant to an effective registration statement. Neither this Prospectus nor any advertisement or other material pertaining to the securities of the Issuer may be distributed or published in any jurisdiction except under circumstances that will result in compliance with applicable laws and regulations. Persons in possession of this Prospectus are required to inform themselves about and to observe any applicable restrictions. In addition, the Bonds are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations.

This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with the Oslo District Court as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Prospectus.

All Sections of the Prospectus should be read in context with the information included in Section 3 "*General information*".

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1 RISK FACTORS

This Prospectus is a listing prospectus. An investment in the Bonds involves inherent risk. Before making an investment decision, investors should carefully consider the risk factors and all information contained in this Prospectus, including the Financial Statements and related notes. The risks and uncertainties described in this Section 1 are the principal known risks and uncertainties faced by the Group as of the date hereof that the Issuer believes are the material risks relevant to an investment in the Bonds. An investment is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment.

The risk factors included in this Section 1 are presented in a limited number of categories, where each risk factor is sought to be placed in the most appropriate category based on the nature of the risk it represents. While the most material risk factor in each category is set out first, the remaining risk factors in each section are not ranked in order of materiality or probability of occurrence. The absence of negative past experience associated with a given risk factor does not mean that the risk factor is not genuine or poses a potential threat to the Group. If any of the following risks were to materialise, individually or together with other circumstances, they could have a material adverse effect on the Group and/or its business, results of operations, cash flows, financial condition and/or prospects, which may cause a decline in the value and trading price of the Bonds, resulting in loss of all or part of an investment in the Bonds. Additional factors of which the Issuer is currently unaware or which it currently deems not to be risks, may also have corresponding negative effects.

1.1 Risks relating to the industry in which the Group operates

1.1.1 Variations in oil and gas prices, as well as developments in the global oil and gas market, may materially affect the Group's business

The Group's core business involves delivering products and services to oil and gas companies. Consequently, the Group's business relies on the level of activity in oil and gas exploration, which includes identifying, drilling, and developing oil and gas reserves, as well as production and geothermal drilling activities, both onshore and offshore globally. The availability of quality drilling prospects, exploration success, relative production costs, the stage of reservoir development, political aspects and regulatory requirements all affect the levels of expenditure and drilling campaigns for the Group's clients.

Oil and gas prices, along with market expectations of price changes, play a critical role in shaping exploration and production ("**E&P**") activities by oil and gas companies. The demand for the Group's services – including well services ("**Well Services**"), operations ("**Operations**"), and projects & engineering ("**Projects & Engineering**") – and the prices achievable for these services are directly influenced by E&P activity and client expenditure patterns, which are affected by oil and gas price trends and energy demand.

Due to the significant investments in exploration and, often production, made by the Group's clients at or before the time they contract for services provided by the Operations segment, this business is typically impacted by longer term E&P spending decisions based on long-term price trends, while the Well Services segment and the Projects & Engineering segment are more sensitive to decisions on E&P spending made by clients in response to short-term fluctuations in oil and gas prices. Hence, a significant decrease in oil and gas prices both over a protracted and a shorter period (rather than the short term) may result in a decrease in demand for the Group's services, which may have a material adverse effect on the Group's business and results of operations.

1.1.2 An excess supply of Rental Equipment may lead to a reduction in prices for the Well Services segment

The oil and gas services industry in which the Group operates is characterised by cyclical periods of high demand and low demand for its services, which in turn affects the supply side of the equipment base and relevant prices.

The market for the type of equipment that the Group rents to clients ("**Rental Equipment**"), as offered by the Well Services Segment, follows basic supply and demand market principles. If there is an excess supply of Rental Equipment, this could result in lower prices for the Rental Equipment and/or a reduction in client orders towards the Well Services segment. Currently, the Group has a limited number of global competitors in this segment, although that may change in the future. Rental Equipment maintenance costs fluctuate depending upon the type of activity the drilling unit is performing and the age and condition of the Rental Equipment.

The Well Services segment may experience oversupply and, as a result, a decrease in day rates, lump sum payments and/or client orders for its Rental Equipment in the future. Further, the Group's operating and maintenance costs may not be proportionate to changes in operating revenues, which may have a material adverse effect on the Group's business, results of operations, cash flow, financial condition, and/or prospects.

1.1.3 Competition within the oil and gas services industry may have a material adverse effect on the Group's ability to market its services

The oil and gas services industry is highly competitive and fragmented and includes several large competitors in the markets where the Group operates, as well as numerous small competitors that compete with the Group on a local basis.

The Group's operations may be materially adversely affected if its current competitors or new market entrants introduce new products or services with features, performance, prices or other characteristics similar to, or better than, the Group's products and services, or expand into service areas where the Group operates. Competitive pressures or other factors that result in significant price competition, particularly during industry downturns, could have a material adverse effect on the Group's business, results of operations, cash flow, financial condition, and/or prospects.

The Well Services segment has a limited number of global competitors, most notably Weatherford, Expro and Workstring, but also competes with various local and smaller suppliers in each of its geographic markets. As described in Section 5.3.2 "*Well Services*", the Group provides services in approximately 30 countries, from 15 bases in Europe, Asia and the Middle East, with particular focus on the offshore markets in the North Sea. Smaller suppliers in such geographic markets may be in a preferred position locally as they may be able to offer lower prices and may also have longer existing relationships with local clients. The increase in competition may result in a loss of market share for the Well Services segment, which could have a negative impact on the Group's revenue.

The Group's Operations segment currently has only two main competitors in the markets the Group operates, although this may not be the case in the future.

The Group's Project & Engineering segment operates in a highly competitive market and may, as a consequence, suffer periods of low utilisation, and/or lower day rates. Further, the competition landscape may increase in the future.

Increased competition in the Well Service segment, the Operations segment, and/or the Project & Engineering segment, may result in a loss of market share for the relevant segment, which could have a negative impact on the segment's or the Group's revenue.

1.1.4 *Climate risk may have a material adverse effect of the Group's services*

Although the timing and specifics of potential future scenarios are unclear, the Group remains susceptible to climate change. As the global shift from hydrocarbon to renewable energy sources progresses, the Group has developed risk assessments for climate-related risks which are also incorporated into the Issuer's double materiality assessment. The assessment considers transition risks (policy, market, reputation and technology related) and physical risks (acute and chronic climate impacts).

Short-term risks are driven by regulatory compliance and financing shifts, requiring increased climate reporting and internal capacity building. Medium-term risks include a potential reduction in fossil fuel demand, impacting revenue streams. Long-term risks highlight the physical climate hazards, such as increased extreme weather events and heat stress, which could affect operational resilience, worker safety and supply chain stability.

The transition risks could involve increased resources, skills and tools required for capturing and reporting data to meet increasing and evolving regulatory requirements. Additionally, access to capital may become more challenging as financial institutions shift toward low-carbon portfolios, potentially increasing financing costs. A shift in market perception of oil and gas as a declining industry could also impact the Group's ability to attract and retain skilled employees. Further, there is a risk of reduced demand for oil and gas in the future as renewable energy increases, reducing activity in the Group's current client base, which in turn inherently could reduce the revenue of the Group.

As for physical risks, these could entail extreme weather events, such as increased severity of storms, high winds and wave heights which may disrupt and impact current operations, logistics and personnel transfer. Additionally, rising temperatures and heat stress in certain operational regions may impact workforce safety and reduce equipment efficiency. Climate-related disruptions in global supply chains could lead to delays in critical equipment and raw materials, further affecting operations.

Materialisation of such climate risks could negatively affect the Group's operations through increased operational and administrative costs, supply chain disruptions and potential delays, leading to financial exposure. In particular, more frequent extreme weather events and heat stress could result in increased insurance costs, downtime, and additional investments in climate adaptation measures. These factors could collectively impact the segment's and the Group's revenue.

1.1.5 *The Group's business is subject to operating hazards*

The Group's operations are subject to hazards inherent in drilling for oil and gas, such as blowouts, reservoir damage, loss of production, loss of well control, lost or stuck drill strings, equipment defects, craterings, fires, explosions, and pollution.

Contract drilling and the provision of well services require the use of heavy equipment and exposure to hazardous conditions. Damage to the environment could also result from the Group's operations and services, particularly from spillage of fuel, lubricants or other chemicals and substances used in drilling operations, or extensive uncontrolled fires. The Group may also be subject to property, environmental, and other damage claims by oil and gas companies.

In addition, accidents or other operating hazards could result in the suspension of operations because of related machinery breakdowns, abnormal drilling conditions, failure of the Group's, its subcontractors or the subcontractors of the Group's clients' to perform or supply goods or services, or personnel shortages, which may in turn have a material adverse effect on the Group's reputation, business, results of operations, cash flow, financial condition and/or prospects.

1.1.6 *The Group's insurance coverage may prove insufficient if a significant accident or other event occurs*

The Group's insurance policies and contractual rights to indemnity may not adequately cover losses, and the Group does not have insurance coverage or rights to an indemnity for all risks. In addition, the Group's insurance coverage will not provide sufficient funds in all situations to protect the Group from all liabilities that could result from its operations, the amount of the Group's insurance cover may be less than the related impact on enterprise value after a loss, and the Group's coverage also includes policy limits. As a result, the Group retains the risk through self-insurance for any losses in excess of these limits. The Group may also decide to retain substantially more risk through self-insurance in the future.

Although it is the Group's policy to obtain contractual indemnities, it may not always be able to negotiate such provisions. Further, indemnities that the Group receives from clients may not be easily enforced and may be of limited value if the relevant clients do not have adequate resources or do not have sufficient insurance coverage to indemnify the Group.

The Group may not have, or be able to maintain in the future, adequate insurance or indemnity protection against certain risks, and such insurance or indemnification agreements may not adequately protect the Group against liability from all of the consequences of the hazards and risks described above. The occurrence of a significant accident or other adverse event which is not fully covered by the Group's insurance or any enforceable or recoverable indemnity from a client, could result in substantial losses for the Group and could materially adversely affect the Group's results of operations, cash flow, financial condition and/or prospects.

1.1.7 *Risks related to the Group's international operations*

The Group currently operates in approximately 30 countries and has historically conducted business in certain jurisdictions that are now subject to certain US trade embargoes and sanctions by the US Office of Foreign Assets Control, and analogous Norwegian and European Union ("EU") sanctions, thereby exposing it to risks that are inherent to conducting international operations.

Some of these risks, which may require or result in evacuation of personnel, cancellation of contracts, fraud, bribery and corruption or the loss of personnel or assets, could limit or disrupt the Group's operations and thereby have a material adverse effect on the Group's business, results of operations, cash flow, financial condition and/or prospects.

International oil and gas service providers, and shipment of goods, services and technology are subject to various laws and regulations in various countries and jurisdictions, including laws and regulations relating to:

- the equipment requirements for, and operation of, drilling units, fixed installations and provision of well services;
- repatriation of foreign earnings;
- oil and gas exploration and development;
- correct taxation of earnings and the earnings of expatriate personnel;
- trade, import, export and customs duties on the importation of equipment;
- the use and compensation of local employees; and
- the use of local suppliers, contractors, representatives and/or agents by the Group.

Some foreign governments favour, require or control (i) the awarding of contracts to local contractors or to equipment completely or partially owned by national individuals or legal persons, (ii) the use of a local representative/agent, (iii) the use of local suppliers, (iv) local registration of companies or branches of the operator (v) foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction and /or (vi) the export

and re-export of certain goods, services and technology. These practices, known as "local content requirements", may, to the extent that there is a limited supply of local suppliers, partners and contractors qualified for the Group's services, materially adversely affect the Group's ability to compete or to operate in those regions as well as the Group's costs and ultimately its results of operations.

Furthermore, local content requirements may result in risks related to corruption, fraud or bribery, the risk of the Issuer having less control of its operating entities due to joint venture structures and that a less experienced workforce is used, which again increases the operating risk.

It is difficult to predict what governmental regulations, especially within sanction regimes or regimes where *inter alia* certain individuals are subject to sanctions, may be enacted in the future or how the local authorities' implementation, interpretation or enforcement of such regulations or sanctions could adversely affect the international drilling industry and the Group's business. Further, failure to comply with applicable laws and regulations, economic or criminal sanctions or embargoes, including those relating to export restrictions, may subject the Group to exclusion from the relevant market, loss of future and existing contracts, and criminal sanctions or civil remedies, including fines, denial of export privileges, injunctions or seizures of equipment. While the Group maintains policies designed to comply with various foreign laws and regulations, it may not be possible for the Group to detect or prevent every violation in every jurisdiction in which its employees, agents, sub-contractors or joint venture partners are located.

The Group or its directors, officers, and employees may therefore be subject to civil and criminal penalties and to reputational damage for failure to comply with applicable legal and regulatory trading obligations.

1.1.8 The Group's backlog may not be ultimately realised

The Group has a backlog in its Well Services, Operations and Projects & Engineering segments of approximately NOK 13.3 billion inclusive of priced optional periods. The Group's backlog represents the contracted future revenue under contracts for the services provided by its three segments. The Group presents backlog both inclusive and exclusive of any priced optional periods exercisable by clients calculated to reflect the nominal value of the contract. Backlog does not provide a precise indication of the time-period over which the Group is contractually entitled to receive such revenues and such revenue may not actually be realised in the timeframes anticipated or at all.

Backlog is computed based on contractual terms with the relevant client; however, revenue included in the backlog may be subject to price indexation clauses. There are a number of reasons why the Group may fail to realise expected backlog, including:

- cancellation, early termination or successful renegotiation of contracts by clients as a result of, among other reasons, adverse market conditions;
- clients' discretionary invocation of suspension periods;
- an inability of the Group to perform its obligations under contracts, including for reasons beyond its control; and
- a default by a client and failure to pay amounts owed.

The Group's inability to realise backlog amounts could have a material adverse effect on the Group's results of operations, cash flows, financial condition and/or prospects.

1.1.9 The Group's future business performance depends on its ability to renew and extend existing contracts, and to win new contracts

The Group's revenue is derived from contractual arrangements and its business areas use various contractual formats.

Contracts for the Well Services segment and the Operations segment are typically set for fixed durations. The contracts for Projects & Engineering are mostly on a reimbursable basis (by hour/cost+). Projects & Engineering may also enter into fixed price contracts where scope is clearly defined and limited, however this is not a common contracting model for the Projects & Engineering segment, except for some minor projects from time to time.

Currently, the majority of the Group's Operations segment contracts are set for fixed periods. Contracts for the Operations segment may include extension options that are exercisable at the discretion of the client. The extension options do not represent guaranteed commitments from clients to extend the period of the contract and the Group's clients may not exercise the extension options or the work performed under such extension options may not be at prevailing market day rates or prices at the time the option to extend is exercised, as the Group agrees the day rates and prices for extension periods at the time of signing the original contract. In the Well Services and Project & Engineering segment there are also several frame agreements in place that regulates services and associated rates.

For most of its businesses, particularly for the Well Services segment and the Operations segment, the Group is primarily awarded contracts and, in certain circumstances, successfully renews certain existing contracts by participating in tender processes. However, some of the Group's contracts, especially the Projects & Engineering segment's contracts, are entered into following direct negotiations with clients. Where the Group tenders for contracts, it is generally difficult to predict whether the Group will be awarded contracts on favourable terms or at all. The tenders are affected by a number of factors beyond the Group's control, such as market conditions, competition (including the intensity of the competition in a particular market), financing arrangements and governmental approvals required by clients.

In addition, the Operations segment is often required to pre-qualify to participate in tender processes by meeting certain thresholds of operational performance, including quality, health, safety and environment ("QHSE") requirements, and by demonstrating its ability to sufficiently comply with local requirements. Generally, these thresholds and requirements for inclusion on pre-approved tender lists have become more stringent in recent years. If the Group fails to be pre-approved by clients, the Group will not be considered for inclusion in certain tender processes, the Group's business activities and/or utilisation may drop below expected levels, and its business, results of operations, cash flow and financial position may be adversely affected.

The Group's ability to renew or extend existing contracts or sign new contracts will largely depend on prevailing market conditions. If the Group is unable to sign new contracts or, in the case of the Operations segment, if new contracts are entered into at rates or prices substantially below the current cost levels or on terms otherwise less favourable compared to existing contract terms, the Group's business, results of operations, cash flow and financial condition may be adversely affected.

1.1.10 Unforeseen or unanticipated risks, costs or timing when bidding on or managing contracts could adversely affect the Group's business, results of operations, and financial condition

In preparation for a tender of a new contract, the Group assesses its current capacity, and, if it is awarded the contract, it determines how to deploy resources in order to perform its obligations under the contract. The Group's financial and operating performance depends on making accurate assumptions and estimates, as well as identifying key issues and risks (including, but not limited to, the degree of complexity of the project assumptions regarding rig efficiency or utilisation of equipment, operational expenses, mobilisation costs, tax payments, availability of skilled

personnel and availability of critical equipment with long lead times) with respect to potential projects at the tender stage of the project, and ensuring that the pricing and contractual arrangements in relation to each project adequately safeguard the Group against, or compensate it for, such risks.

Assumptions are particularly necessary when tendering for a new client or entering new product or geographic markets, as the Group does not yet have the experience on which it can base its assumptions for the tender. The Group must manage project risks efficiently and adapt to changes that occur during the life of a project. Even when a risk is properly identified, the Group may be unable to or may not accurately quantify it. Unforeseen or unanticipated risks, incorrect assumptions when bidding for a contract or unexpected client variation orders under contractual variation provisions (including, for example, orders for the modification of a drilling unit) may lead to increased costs for the Group and could adversely affect the Group's business, results of operations, cash flow and financial condition.

1.1.11 The Group, and in particular the Operations segment, is exposed to client concentration risk

The Group's Operations segment has seven clients, the Equinor group ("**Equinor**"), BP group ("**BP**"), SFL Corporation Ltd. ("**SFL**") the ConocoPhillips group ("**ConocoPhillips**"), Abu Dhabi National Energy Company PJSC ("**TAQA**"), Repsol Norge AS ("**Repsol**"), Shelf Drilling (Norway) AS ("**Shelf**"), Brunei Shell Petroleum Company Sendirian Berhad ("**BSP**"), Odfjell Drilling Ltd group ("**ODL**") and Serica Energy plc ("**Serica**") which account for all of that segment's backlog.

A number of factors could lead to a deterioration in the Group's relationships with its major clients, including, for example, any disputes between the Group and its clients with regard to, among other things, contract terms, non-performance, quality of deliverables or additional costs exceeding the contract price or for work performed but not included in the original contract. These types of claims can arise for a number of reasons, including clients implementing new operating models and/ or new requirements for digitalising operations and work procedures. The Group's client concentration may exacerbate the impact of these disputes on the Group.

The Group's results of operations and cash flows could be materially adversely affected if any of its major clients fail to compensate the Group for its services, were to terminate their contracts with or without cause, fail to renew their existing contracts or refuse to award new contracts to the Group and the Group is unable to enter into contracts with new clients at comparable rates.

1.1.12 The Group relies on third parties

The Group relies on a significant supply of consumables, spare parts and equipment to maintain and develop its Well Services segment's business and engages third-party subcontractors to perform parts of its projects for certain elements of the Operations and Projects & Engineering segment's projects. The Group may not have the contacts or opportunity to acquire consumables or spare parts from other suppliers or the skills to perform work undertaken by its subcontractors. Any inability to hire qualified subcontractors or receive the necessary parts could hinder the successful completion of a project. Further, the Group's employees may not be able to monitor or control the performance of these subcontractors as efficiently as they could if that work was performed by the Group itself.

The Group may suffer losses on contracts if the amounts it is required to pay for subcontractor services exceed its original estimates or if third parties disrupt the delivery of parts for any given reason. While the Group seeks to mitigate the risks associated with third parties by imposing contractual obligations that mirror those it has with its clients, including obtaining adequate insurance cover and (in some cases) requesting bank guarantees to cover non-performance by subcontractors of the relevant parts of the projects, the subcontracting of work and dependency of delivery of parts exposes the Group to risks associated with non-performance, delayed performance or sub-standard performance. Cost increases, delays or unavailability could materially adversely affect the Group's future

operations, and result in reduced rates due to delays in repairs and maintenance, which may in turn have a material adverse effect on the Group's business, results of operations, cash flow and financial condition.

1.1.13 *Interruptions in information technology systems and cyber security issues could adversely affect the Group's business*

The Group relies heavily on information technology ("IT") systems to support operations and achieve its business objectives. The Group relies upon industry accepted security measures and technology, such as access control systems, to securely maintain confidential and proprietary information maintained on its IT systems, and market standard cyber security systems. However, the Group's portfolio of hardware and software products, solutions and services and its enterprise IT systems may be vulnerable to damage or disruption caused by circumstances beyond its control, such as catastrophic events, power outages, natural disasters, computer system or network failures, computer viruses, cyber-attacks or other malicious software programs. The failure or disruption of the Group's IT systems to perform as anticipated for any reason could disrupt the Group's business by e.g. causing rig downtime and stopped operations as the rigs on which the Group operate rely on computer support to perform operations, the Group's supply chain can be prevented from tracking and following up orders, and vendor and client communications will be hindered. This may in turn result in decreased performance, significant remediation costs, transaction errors, loss of data, processing inefficiencies, downtime, litigation, fines and the loss of suppliers or clients. Hence, a significant disruption or failure could have a material adverse effect on the Group's business operations, financial performance and financial condition.

1.1.14 *Policies, procedures, and systems to safeguard employee health, safety, and security may not be adequate or sufficiently implemented or adhered to*

Certain parts of the Group's operations, particularly its offshore operations, involve inherent risks that cannot be entirely mitigated. This includes risks and hazards such as personnel injuries as a result of dropped objects and squeeze injuries. The Group has detailed and specialised policies, procedures and systems to safeguard employee health, safety and security, and the Group aims to follow best practices for employee health, safety and security in every country in which the Group operates. However, if these policies, procedures and systems are not adequate, employees or contractors do not receive adequate training or instructions, or the Group's safety policies are not implemented properly in all local jurisdictions, or generally not adhered to by the Group's employees, this could result in severe consequences, including injury or loss of life, which again could impair the Group's reputation and operations and cause it to incur significant liability. Furthermore, certain parts of the Group's operations, within its Well Services segment, may be conducted in distant locations. Distance from such principal locations can create further difficulty for the Group in implementing and impressing its policies on matters such as health and safety upon local workforces, and can present challenges in the supervision of its sub-contracted employees. This increases the risk of breaches of the Group's safety policies and procedures.

Employee health, safety, and security is a key assessment criteria for the Group's clients in relation to tenders for new contracts. Despite that the Group has a good track record on employee health, safety, and security, a failure to deliver consistently high standards on procedures and systems to safeguard employee health, safety and security across all fields and locations of operations could result in termination of client contracts, legal action and reputational risks, and could also impact the Group's prospects of winning future contracts.

1.2 **Risks related to laws, regulations and litigation**

1.2.1 *Technology disputes involving the Group, the Group's suppliers or sub-suppliers could impact the Group's operations*

The services provided by the Group utilise patented or otherwise proprietary technology and consequently involve a potential risk of infringement of third-party rights. It is not uncommon for industry participants to pursue legal action

to protect their intellectual property. The Group is not currently aware of patents that create the risk of the Group infringing third party rights. However, other industry participants may pursue legal action against the Group to protect intellectual property that the Group utilises in Norway or in other jurisdictions in which the Group operates. Where such industry participants pursue legal action, it could result in limitations on the Group's ability to use the patented technology or require the Group to pay a fee for the continued use of intellectual property.

The majority of the intellectual property rights ("IPR") relating to Rental Equipment are owned by the Group's suppliers or sub-suppliers. In the event that one of the Group's suppliers or sub-suppliers, or the Group, becomes involved in a dispute over infringement of IPR relating to assets owned or used by the Group, the Group may lose access to repair services, replacement parts, or could be required to cease use of the relevant assets or intellectual property. The consequences of technology disputes involving the Group's suppliers could materially adversely affect the Group's business, results of operations, and financial condition. The Group could also be required to pay royalties for the use of such assets or intellectual property.

In addition, the Group, and in particular its Well Services segment (which has the most established intellectual property portfolio of the Group's business segments), may choose to pursue legal action to protect the Group's intellectual property. If the Group is unable to protect and maintain its IPR, or if there are any successful intellectual property challenges or infringement proceedings against the Group, its ability to differentiate its service offerings could diminish. There are currently no such cases ongoing, but such cases or claims may be raised in the future.

In addition, from time to time, the Group may pursue action to challenge patents of competitors, suppliers, and others. Should these cases not succeed, the Group may be subject to legal costs and may not be able to use the patented technology or may have to pay a fee for the continued use of such patents.

The consequences of any of the intellectual property disputes with third parties described above could materially adversely affect the Group's business, results of operations, cash flow, and financial condition.

1.2.2 A change in tax laws or tax practice, or complex tax laws, could result in a higher tax expense or a higher effective tax rate on the Group's earnings

The Issuer is incorporated in Bermuda, and is tax resident in the UK. The Issuer conducts its affairs in such a manner that it expects its business will be treated as effectively managed from or carried on in the UK; the determination of which is dependent upon the facts existing at any such point in time, including (but not limited to) the place where its board of directors meet and the place where its management makes decisions or takes certain actions affecting its business. The Issuer's UK tax counsel has advised regarding certain measures the Issuer can take to limit the risk that its business may be treated as managed from or carried on elsewhere and has concluded that, provided that the Issuer adopts these measures and otherwise conduct its affairs in a manner consistent with the tax counsel's advice, which the Issuer intends to do, the business should be treated as carried out in the UK for taxation purposes. Nonetheless, there is no legal authority addressing the Issuer's specific circumstances, and conclusions in this area remain matters of interpretation. Thus, it is possible that other countries' tax authorities could challenge, or a court could disagree with, the Issuer's position.

The Group will from time to time conduct operations through subsidiaries in countries throughout the world. As tax laws and regulations are highly complex and subject to interpretation and change, this could constitute a risk for the Group. For example, if Norwegian shareholders control a company (i.e. directly or indirectly own or control at least 50% of the shares or the capital of the company) resident in a low tax jurisdiction, such Norwegian shareholders may be subject to Norwegian taxation according to the Norwegian Controlled Foreign Corporations regulations. Such taxation could apply with respect to the Group if the Group becomes subject to the control of Norwegian shareholders, hereunder if the Issuer as such becomes fully taxable to Norway due to being effectively managed in Norway. If the Issuer, and thereby the Group, or Norwegian shareholders of the Group are subject to Norwegian

Controlled Foreign Corporation ("**CFC**") taxation, the Issuer or such Norwegian shareholders are taxed in Norway on their proportionate share of the net profits - trading and capital - generated by the relevant foreign Issuer, including the Issuer, calculated according to Norwegian tax regulations.

The income will be subject to Norwegian taxation, currently at a rate of 22%. For the purposes of minimising this risk, the Issuer seeks to conduct its affairs so that the risk of being effectively managed outside the UK is minimised. Furthermore, the Issuer's bye-laws provide that the board of directors may decline to register the transfer of any interest in any Share in the register of members or decline to direct any registrar, appointed by the Issuer, to register the transfer where such transfer would result in 50% or more of the shares or votes in the Issuer being held, controlled or owned directly or indirectly by individuals or legal persons resident for tax purposes in Norway or connected to a Norwegian business activity, in order to mitigate the possibility that the Issuer is deemed a "Controlled Foreign Company" as such term is defined under the Norwegian tax rules. Norwegian tax legislation and tax practice may, however, be subject to changes which can also possibly be made on a retrospective basis, and this approach may not continue to mitigate the impact of the relevant tax legislation in the future. If the Group is subjected to a higher effective tax rate on the Group's earnings, this may affect the Issuer's ability to service its debt.

1.2.3 Losing a major tax dispute or facing a successful tax challenge could result in a higher tax rate on the Group's earnings

The Group's tax payments may be subject to review or investigation by tax authorities of the jurisdictions in which the Group operates. If any tax authority successfully challenges the Group's operational structure, intercompany pricing policies, the taxable presence of its subsidiaries in certain countries (which may also result in CFC taxation due to branch taxation exemptions in subsidiaries), or if the Group loses a material tax dispute in any country, or any tax challenge of the Group's tax payments is successful, the Group's effective tax rate on its earnings could increase substantially and the Group's earnings and cash flows from operations could be materially adversely affected. Further, changes in applicable tax laws which impact the cost may be covered or refundable under change in law clauses included in the Group's contracts with its clients. However, such change in law may from time to time exclude and/or not cover changes in tax, both in general and with regard to specific taxes such as increases in corporation tax rates, which entails that the cost would not be reclaimable.

Odfjell Offshore Ltd. is currently involved in an ongoing dispute with the Norwegian Tax Authorities regarding a tax deduction of approximately NOK 2.3 billion. See Section 5.7.1 "*Odfjell Offshore Ltd.*" for further information.

There are also several transactions taking place between the companies in the Group, which must be carried out in accordance with arm's length principles in order to avoid adverse tax consequences. Statutory documentation on a transfer pricing policy with the aim of determining arm's length prices for intercompany transactions has been established in order to minimise this risk.

However, should tax authorities challenge whether the Group's transfer pricing policy calculate correct arm's length prices for intercompany transactions, this could lead to an adjustment of the agreed price, which would in turn lead to an increased tax cost for the Group.

1.2.4 Historical National Insurance Contributions

A subsidiary of the Group, Odfjell Technology (UK) Ltd, is currently subject to challenges by HM Revenue and Customs ("**HMRC**") on the historical application of Employer National Insurance Contributions ("**NICs**") to workers in the UK Continental Shelf in tax years 2003/2004 to 2013/2014 (the "**Disputed Period**"). On 1 October 2021, a decision was issued by HMRC against Odfjell Technology (UK) Ltd in respect of the historic application of NICs during that Disputed Period. Odfjell Technology (UK) Ltd appealed against the decision, and the first-tier tribunal ruled in favour of HMRC in January 2025. Odfjell Technology (UK) Ltd has received permission to appeal this ruling

to the Upper Tribunal and no payment of the disputed National Insurance amounts will be made pending this appeal. In addition, Odfjell Technology (UK) Ltd has commenced a parallel Judicial Review of the original HMRC decision. Management, taking into consideration advice from independent legal and tax specialists, still 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 367 million. See Section 5.7.2 "*Odfjell Technology (UK) Ltd*" for further information.

1.2.5 Governmental laws and regulations relating to the oil and gas industry could hinder or delay the Group's operations, increase the Group's operating costs, reduce demand for its services, and/or restrict the Group's ability to provide its services

As the Group depends on demand for services from oil and gas companies and/or relevant companies in this industry, it is also affected by changing laws and regulations relating to its clients and the oil and gas industry. The Group is also exposed to changes in recommended industry practices and applicable standards.

The adoption of new laws or regulations limiting exploration or production activities by oil and gas companies or imposing more stringent restrictions on such activities, could have a material adverse effect on the Group by increasing its operating costs, reducing the demand for its services, and/or restricting its ability to provide its services. Such restrictions have for instance been implemented in Denmark, which has led to the Group not having any current activities in Denmark, and to a certain extent in the UK, where the Group has seen new tenders shift towards plug and abandonment of wells rather than tenders for drilling of new wells and thereto related services. Further, the Group's clients may, as a consequence of certain new laws and regulations, have the contractual right to request changes to the Rental Equipment, the implementation of which may increase the Group's operating costs.

Regulatory authorities may exercise discretion in monitoring compliance and in interpreting and enforcing applicable laws and regulations, including but not limited to economic sanctions as a response to the current war in Ukraine. Economic sanctions will effectively render certain opportunities for new work unavailable and could also lead to a requirement for the Group to terminate ongoing work or exit certain jurisdictions should it become contrary to economic sanctions to perform the work, such as in Iran when the US withdrew from the Joint Comprehensive Plan of Action in May 2018, which in turn led to the US re-imposing sanctions against Iran with thereto related required wind down of any business in Iran.

Future inspections by regulatory authorities may conclude that the Group or clients of the Group have violated applicable laws or regulations. If these violations are not remedied, the regulatory authorities may impose fines, criminal and/or administrative penalties or other sanctions, including compelling the Group or clients of the Group to cease certain of its business activities. The resulting loss of profits could have a material adverse effect on the Group's business, results of operations, cash flow, financial condition, and/or prospects.

1.2.6 The Group may be subject to contractual environmental liability and liability under environmental laws and regulations

The Group's operations are subject to regulations controlling the discharge of materials into the environment, requiring removal and clean-up of materials that may harm the environment, controlling carbon dioxide emissions, or otherwise relating to the protection of the environment. The Group incurs, and expects to continue to incur, capital and operating costs to comply with environmental laws and regulations.

Generally, the Group's clients are the primary parties responsible for compliance with laws and regulations protecting the environment. Applicable laws and regulations may, however, impose direct and strict liability, impose significant fines, or otherwise render a Group company or person liable for environmental damage, or open for

recourse, depending on the circumstances. As an example, the Group may be subject to applicable regulations in the Norwegian Pollution Act of 13 March 1981 under which the Group's client may seek recourse from the Group in case of pollution caused by wilful misconduct or gross negligence of the Group.

In accordance with industry practice, the Group's clients take primary responsibility for any environmental pollution as a result of the client's use of the Group's services or equipment, while the Group typically assumes liability for pollution emanating from its own equipment. The Group has generally sought and has been able to obtain some degree of contractual indemnification pursuant to which its clients agree to protect, hold harmless and indemnify the Group against liability for pollution, well and environmental damage, including for exposure beyond pollution from its own equipment.

In the oil and gas services industry, there is increasing pressure from clients to pass on a larger portion of the liabilities to contractors, such as the Group, as part of their risk management policies. The Group may not be able to prevent or mitigate the increased apportionment of risk for environmental liabilities to contractors, and may not be able to obtain desired indemnities in its future contracts. Further, in the event of extensive pollution and environmental damage, its clients may not have the financial capability to fulfil their contractual obligations. Contractual indemnities may also be deemed legally unenforceable based on relevant law, including as a result of public policy.

The operating hazards inherent in the Group's business also expose the Group to other types of litigation. Providing drilling and well services, project management, engineering and construction services involves the risk of contractual and professional errors, omissions, warranty claims and other liability claims, maritime lawsuits, as well as negative publicity from an environmental point of view which may adversely affect the Group's business, financial condition, cash flow and results of operations.

All of the above-mentioned factors could have a material adverse effect on the Group's business, results of operations, cash flows, financial condition and/or prospects.

1.2.7 The Group is exposed to risk due to its use of certain trademarks such as the "Odfjell" name

The Group has been granted trademark protection of the "Odfjell Technology" name and logo in Norway and has also been granted protection in jurisdictions deemed relevant, in which it operates based on and with priority from the Norwegian application. The Group further holds various domains including "www.odfjelltechnology.com" and "www.odfjelltechnology.no", as well as other domains such as "www.odfjellriginspection.com" and "www.odfjellwellservices.com". It should be noted that there are other companies such as the Odfjell Drilling group of companies, as well as other companies unrelated to the Group that may have similar names or marks, including Odfjell SE, a shipping group that also has the right to use the "Odfjell" name.

The Group may not retain the right to continue to use its trademarks in its operations and marketing in any jurisdiction, particularly where unrelated companies using the same name already hold a relevant trademark. Further, the Group has no control over the actions of other such companies using the "Odfjell" name. Actions by such companies could harm the Group's reputation, which could in turn materially adversely affect the Group's business, results of operations, cash flow, financial condition and/or prospects.

1.3 Risks related to the Group's financial situation

1.3.1 *The Group's existing or future debt arrangements could limit the Group's liquidity and flexibility in obtaining additional financing, other business opportunities or the Issuer's ability to declare dividends*

The Group's current and non-current interest-bearing borrowings related to the business of the Group is approximately NOK 1,085 million, excluding financial indebtedness related to real-estate and operating leases, representing 53% of its total equities and liabilities.

The current indebtedness and future indebtedness that the Group may incur could affect the Group's future operations, as a portion of the Group's cash flow from operations will be dedicated to the payment of interest and principal on such debt and will not be available for other purposes. Covenants contained in the Group's debt agreements require the Issuer, its subsidiaries and/or the Group to meet certain financial measures. These may affect the Group's flexibility in planning for, and reacting to, changes in its business and limit the Group's ability to dispose of assets or use the proceeds from such dispositions, withstand current or future economic or industry downturns or compete with others in the industry for strategic opportunities. In addition, such financial measures do and could further place restrictions on the Group's ability to declare dividends to its shareholders. The Group's ability to meet its debt service obligations and to fund planned expenditures, will be dependent upon the Group's future performance, which will be subject to general economic conditions, industry cycles and financial, business and other factors affecting the Group's operations, many of which are beyond the Group's control. The Group's future cash flows may be insufficient to meet all of its debt obligations and contractual commitments, and any such insufficiency could adversely affect the Group's business. To the extent that the Group is unable to repay its indebtedness as it becomes due or at maturity, the Group may need to refinance its debt, raise new debt, sell assets or repay the debt with the proceeds from equity offerings.

Additional indebtedness or equity financing may not be available to the Group in the future for the refinancing or repayment of existing indebtedness, and the Group may not be able to complete asset sales in a timely manner sufficient to make such repayments.

The Group's ability to raise additional secured debt is also restricted by its current debt arrangements, which limit the raising of new secured debt to a maximum loan amount of NOK 1,700 million under the Bonds, whereof NOK 600 million is available subject to bond covenants requiring a minimum liquidity of USD 15 million and leverage ratio of 4.0 or less. The cost of raising the max loan amount might be affected by the bond market sentiment. The Group has a Super Senior Revolving Credit Facility ("RCF") of USD 50 million available on short notice and serves as the main credit facility in situations when additional capital is required. In addition to secured debt, the Group may raise unsecured debt, however such debt may not be available at favorable terms.

1.3.2 *Interest rate fluctuations could affect the Group's cash flow and financial condition*

The Group has incurred, and may in the future incur, significant amounts of debt. The Group is exposed to interest rate risk, primarily in relation to its long-term borrowings issued at floating interest rates. The Group evaluates the share of interest rate hedging based on an assessment of the Group's total interest rate risk. According to the financial policy of the Group, up to 50% of the interest rate exposure related to the Bonds may be hedged. As of the date of this Prospectus, 35% of the Group's interest rate exposure related to the Bonds is hedged. Future hedging arrangements may not be effective, and the Group's interest rate exposure in the future might not be hedged, either in whole or in part. As such, movements in interest rates could have material adverse effects on the Group's cash flow and financial condition.

1.3.3 *The Group has currency risk exposure to both transaction risk and translation risk*

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD and NOK. Foreign exchange risk arises when future commercial

transactions or recognized assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group is exposed to risks due to fluctuations in exchange rates as the customer contracts are denominated in multiple currencies with cost mainly in local currency, while capital expenditure is in USD.

Translation risk arises due to the conversion of amounts denominated in foreign currencies to NOK, the Group's reporting and functional currency. Given the international nature of the Group's business, part of its assets, liabilities, revenues, and expenses are denominated in currencies other than NOK. In addition, some of the Group's subsidiaries have other reporting and functional currencies, including USD, GBP, and EUR. Consequently, any change in exchange rates between its operating subsidiaries' functional currencies and NOK, affects its consolidated income statement and balance sheet when the results of those operating subsidiaries are translated into NOK for reporting purposes. Because the Issuer does not hedge its exposure to currency translation risks described above, decreases in the value of its operating subsidiaries' functional currencies against the NOK may reduce those operating subsidiaries' contributions in NOK terms to the Issuer's business, financial condition, results of operations, and cash flow.

1.4 Risks related to the Issuer's incorporation in Bermuda

1.4.1 Compliance with the Bermuda economic substance regime

Pursuant to the Economic Substance Act 2018 (as amended) of Bermuda (the "**ES Act**") that came into force on 1 January 2019, a registered entity other than an entity which is resident for tax purposes in certain jurisdictions outside Bermuda ("**Non-resident Entity**") that carries on as a business any one or more of the "relevant activities" referred to in the ES Act must comply with economic substance requirements. The ES Act may require in-scope Bermuda entities which are engaged in such "relevant activities" to be directed and managed in Bermuda, have an adequate level of qualified employees in Bermuda, incur an adequate level of annual expenditure in Bermuda, maintain physical offices and premises in Bermuda or perform core income-generating activities in Bermuda. The list of "relevant activities" includes carrying on any one or more of: banking, insurance, fund management, financing, leasing, headquarters, shipping, distribution and service center, intellectual property and holding entities.

Based on the ES Act currently, for so long as the Issuer is a Non-resident Entity, it is not required to satisfy any such economic substance requirements other than providing the Bermuda Registrar of Companies annually, information on the jurisdiction in which it claims to be resident for tax purposes together with sufficient evidence to support that tax residence. Although it is presently anticipated that the ES Act will have little material impact on the Issuer or its operations, as the legislation remains subject to further clarification and interpretation, it is not currently possible to ascertain the precise impact of the ES Act on the Issuer.

1.5 Risks related to the Bonds

1.5.1 The Issuer is a holding company and is dependent upon cash flow from subsidiaries to meet its obligations under the Bonds

The Issuer is a holding company and therefore depends on receiving cash from its operating subsidiaries to pay the principal and interest on the Bonds, and to meet its other obligations. As such, the cash that the Group obtains from its subsidiaries is the principal source of funds necessary to meet its obligations.

The Group's ability to obtain cash from subsidiaries that it requires to pay its expenses or meet its current or future debt service obligations may be restricted by contractual provisions or laws, including laws or regulations related to the repatriation of foreign earnings, as well as the subsidiaries' financial condition and operating requirements. Applicable tax laws may also subject such payments to the Group by subsidiaries to further taxation.

The inability to transfer cash from the Group's subsidiaries may mean that, even though the Group may have sufficient resources on a consolidated basis to meet its obligations, the Group may not be permitted to make the

necessary transfers from its subsidiaries to meet such obligations. Likewise, the Group may not be able to make necessary transfers from its subsidiaries in order to provide funds for the payment of its obligations, for which the Group is or may become responsible under the terms of the governing agreements of the Group's indebtedness. A payment default by the Group, or any of the Group's subsidiaries, on any debt instrument would have a material adverse effect on the Group's business, results of operations, cash flow and financial condition.

1.5.2 Risks relating to super senior creditors

Under the Bond Terms (as defined herein), the Issuer and/or any other obligors under the Bond Issue are permitted to incur liabilities, which may be significant and that will rank senior in priority to the Bonds, including revolving credit facilities and certain agreements for hedging of interest rate risk in relation to the Bonds. The intercreditor agreement contains certain provisions regulating instruction rights over the security agent, including instructions as to enforcement. Upon certain conditions being met, such instruction right may be held entirely by a defined majority of such senior creditors (whose claims will rank senior to the Bonds with respect to enforcement proceeds). Such senior creditors may have conflicting interests with the Bondholders in a default and enforcement scenario, including an incentive to take enforcement steps which may be detrimental to the value of the Bonds. In general and in these situations in particular, any enforcement proceeds may not be sufficient to cover the prior ranking creditors or the claims under and in relation to the Bonds.

1.5.3 Each guarantee and security interest is subject to certain limitations on enforcement and may be limited by applicable law or subject to certain defences that may limit its validity and enforceability

The Bonds are supported by security and guarantees from various material companies of the Group. These entities are incorporated in various jurisdictions, where, inter alia, legal restrictions may exist on the right for companies to grant security and guarantees related to acquisition of shares in the Issuer (and/or other companies within the group), as well as requirements to receive corporate benefit as consideration of the granting of full unlimited security and guarantees for the outstanding amount under the Bonds, including section 8-10 of the Norwegian Private Limited Companies Act.

1.5.4 The Issuer may have insufficient funds to make required repurchases of the Bonds

Upon the occurrence of a change of control event (as defined in the Bond Terms), each individual bondholder shall have a right (put option) to require that the Issuer re-purchase the Bonds at a price of 101% of the nominal amount (plus accrued interest). However, it is possible that the Issuer will have insufficient funds at the time of the put-option event to make the required repurchase of the Bonds, which could adversely affect the Issuer, e.g. by causing insolvency or an event of default under the Bond Terms, and consequently adversely affect all Bondholders and not only those that choose to exercise the option.

1.5.5 The Issuer's redemption of Bonds

The Bond Terms provide that the Issuer (i) may redeem all or parts of the Bonds at various call prices before the final redemption date. If such actions are taken it will likely limit the market value of the Bonds. During any period when the Issuer may elect to redeem the Bonds, the market value of the Bonds generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period. If the Bonds are redeemed before the final redemption date, the holders of the Bonds have the right to receive an early redemption amount which may exceed the nominal amount in accordance with the Bond Terms. However, there is a risk that it may not be possible for Bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate.

1.5.6 *The security granted may not be sufficient to cover amounts owed to Bondholders*

The Bonds are secured by guarantees from certain material members of the Group incorporated in Scotland, Bermuda and Norway. However, the entities issuing the guarantees may not be creditworthy, or the value of the security interests in the Group may not be sufficient to cover amounts owed to the Bondholders.

The Bonds are secured on a *pari passu* basis with the other secured parties under the security package, subject to the super senior status of certain revolving credit facilities and hedging agreements permitted under the Bond Terms. The super senior creditors will, inter alia, receive the proceeds from any enforcement of the security and the guarantees and certain distressed disposals prior to the Bondholders in accordance with the waterfall provisions of the applicable intercreditor agreement. The intercreditor agreement also contains provisions regulating instruction rights, including instructions as to enforcement. Upon certain conditions being met, such instruction rights may be held entirely by a defined majority of such super senior creditors which may have conflicting interests with the Bondholders in a default and enforcement scenario, including an incentive to take enforcement steps which may be detrimental to the value of the Bonds and recovery for the Bondholders. As a consequence, and although the Bonds are secured obligations of the Issuer, the value of the security may not be sufficient to cover all the outstanding amounts under the Bond Terms together with accrued interest and expenses in case of a default and/or if the Issuer enters into liquidation.

Furthermore, enforcing the guarantees and security interests may be an expensive and time consuming process involving complex legal proceedings, and there can be no certainty that it will be successful. Even if the Bondholders are successful in bringing an action in a jurisdiction, local laws may prevent or restrict the Bondholders from enforcing a judgment against a member of the Group, the Group's assets or the assets of its officers.

1.5.7 *The Bonds are structurally subordinated to liabilities of Issuer's subsidiaries*

The Bonds are subject to credit risk relating to the Group's ability to meet its payment obligations, which in turn is largely dependent upon the performance of the Group's operations and its financial position. Generally, creditors under indebtedness and trade creditors of the Issuer's subsidiaries will be entitled to payments of their claims from the assets of such subsidiaries before these assets are made available for distribution to the Issuer, as a direct or indirect shareholder. Accordingly, in an enforcement scenario, creditors of the Issuer's subsidiaries, to the extent such subsidiaries are not also guarantors of the Bonds, will generally be entitled to payment in full from the sale or other disposal of the assets of such subsidiaries before the Issuer, as a direct or indirect shareholder, will be entitled to receive any distributions.

2 RESPONSIBILITY FOR THE PROSPECTUS

This Prospectus has been prepared in connection with the Listing of the Bonds on the Oslo Stock Exchange.

Odfjell Technology accepts responsibility for the information contained in this Prospectus. The Issuer confirms that to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

United Kingdom, 8 April 2025

The Board of Directors of Odfjell Technology Ltd.

Helene Odfjell
Chair of the Board

Harald Thorstein
Board Member

Alasdair Shiach
Board Member

Victor Vadaneaux
Board Member

3 GENERAL INFORMATION

3.1 Other important investor information

This Prospectus has on 8 April 2025 been approved by the Norwegian FSA, as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval shall not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Bonds.

The Issuer has furnished the information in this Prospectus. The Issuer's advisors make no representation or warranty, express or implied, as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Prospectus is, or shall be relied upon, as a promise or representation in this respect, whether as to the past or the future.

The information contained herein is current as of the date hereof and is subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, every significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus, which may affect the assessment of the Bonds and which arises or is noted between the time when the Prospectus is approved by the Norwegian FSA and the Listing, will be presented in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus shall under any circumstance imply that there has not been any change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

Neither the Issuer nor the Managers nor any of their respective affiliates, representatives or advisors, is making any representation, express or implied, to any offeree or purchaser of Bonds regarding the legality or suitability of an investment in the Bonds. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Bonds.

Investing in the Bonds involves a high degree of risk. See Section 1 "*Risk factors*".

3.2 Presentation of financial information

3.2.1 The Issuer's Financial Statements

The financial information in this Prospectus relating to the Issuer has been derived from the audited consolidated financial statements for the Issuer as of and for the financial years ended 31 December 2023 and 31 December 2022 (the "**Issuer's Financial Statements**"), prepared in accordance with the International financial reporting standards (IFRS) adopted by the European Union ("**IFRS (EU)**"). For information regarding accounting policies and the use of estimates and judgements, please refer to note 3 of the Issuer's Financial Statements for the financial year ended 31 December 2023, and note 4 of the Issuer's Financial Statements for the financial year ended 31 December 2022.

3.2.2 The Guarantors' Financial Statements

The Guarantors' financial statements included in this Prospectus comprise the following financial statements:

- Odfjell Well Services Norway AS; audited financial statements as of and for the financial years ended 31 December 2023 and 2022, prepared in accordance with Norwegian Generally Accepted Accounting Principles ("**NGAAP**").
- Odfjell Operations AS; audited annual financial statements as of and for the financial years ended 31 December 2023 and 2022, prepared in accordance with NGAAP.
- Odfjell Technology (UK) Ltd.; audited annual financial statements as of and for the financial years ended 31 December 2023 and 2022, prepared in accordance with Financial Reporting Standard 102 as adopted by the Financial Reporting Council of the United Kingdom ("**UK GAAP**") and in accordance with International Standards on Auditing (UK) ("**ISA(UK)**").
- Odfjell Engineering AS; audited annual financial statements as of and for the financial years ended 31 December 2023 and 2022, prepared in accordance with NGAAP.
- Odfjell Offshore Ltd; audited annual financial statements as of and for the financial years ended 31 December 2023 and 2022, prepared in accordance with NGAAP.
- Odfjell Technology Invest Ltd; audited annual financial statements as of and for the financial years ended 31 December 2023 and 2022, prepared in accordance with IFRS as issued by the International Accounting Standards Board ("**IFRS (IASB)**").
- Odfjell Platform Drilling AS; audited annual financial statements as of and for the financial years ended 31 December 2023 and 2022, prepared in accordance with NGAAP.
- Odfjell Technology AS; audited annual financial statements as of and for the financial years ended 31 December 2023 and 2022, prepared in accordance with NGAAP.

The annual financial statements of Odfjell Technology (UK) Ltd. are prepared in accordance with UK GAAP. As such, they have not been prepared in accordance with IFRS (EU). IFRS (EU) differs to UK GAAP in a number of areas, and consequently there may be material differences in the financial information had IFRS (EU) been applied to this historical financial information.

UK GAAP differs from IFRS (EU) in certain areas. With regards to Odfjell Technology (UK) Ltd., the only identified difference in accounting treatment for the financial statements ended 31 December 2023 and 2022 is the treatment of leases. IFRS (EU) 16 Leases as adopted by the Issuer require a right-of-use asset and a lease liability to be recognised, which would increase total asset with GBP 2.2 million, and total liabilities with GBP 2.2 million as at 31 December 2023, while the total equity would not be materially affected. The difference in accounting treatment of leases would increase the operating profit in 2023 by GBP 0.1 million, while net profit for the year would not be materially affected. Other than the treatment of leases, the Issuer has not identified any other material differences in accounting treatment for the financial year ended 31 December 2023. There are other areas of differences between UK GAAP and IFRS, like in IFRS (EU) 15 Revenue that will require a greater emphasis on marketing costs being expense as incurred, and treatment of borrowing costs and intangibles. None of these differences impact the financial statements for the Guarantor at this time.

The annual financial statements of Odfjell Technology (UK) Ltd. are prepared in accordance ISA(UK). ISA(UK) is largely based on the International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board (IAASB), published by the International Federation of Accountants (IFAC). The requirements of ISA(UK) are as stringent as those of ISA, and in certain areas, they include additional requirements not found in ISA.

The financial statements of the Guarantors are hereinafter collectively referred to as the **"Guarantors' Financial Statements"**. The Guarantors' Financial Statements and the Issuer's Financial Statements are collectively referred to as the **"Financial Information"**.

3.2.3 *Industry and market data*

In this Prospectus, the Issuer has used industry and market data from independent industry publications and market research.

The Issuer confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified. However, source references to websites shall not be deemed as incorporated by reference to this Prospectus.

The Issuer confirms that no statement or report attributed to a person as an expert is included in this Prospectus.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Issuer has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

The Issuer cautions prospective investors not to place undue reliance on the above-mentioned data. Unless otherwise indicated in the Prospectus, any statements regarding the Group's competitive position are based on the Issuer's own assessment and knowledge of the market in which it operates. Such information and data are sourced herein as "Company Information".

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Prospectus (and projections, assumptions and estimates based on such information) may not be reliable indicators of the Issuer's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 1 "*Risk factors*" and elsewhere in this Prospectus.

3.2.4 Currencies

In this prospectus, all references to "**NOK**" are to the lawful currency of Norway; all references to "**USD**" are to the lawful currency of the United States; all references to "**GBP**" are to the lawful currency of the United Kingdom. No representation is made that the NOK, USD, GBP amounts referred to herein could have been or could be converted into NOK or USD, at any particular rate, or at all.

3.2.5 Rounding

Certain figures included in this Prospectus have been subject to rounding adjustments (by rounding to the nearest whole number or decimal or fraction, as the case may be). Accordingly, figures shown for the same category presented in different tables may vary slightly. As a result of rounding adjustments, the figures presented may not add up to the total amount presented.

3.3 Cautionary note regarding forward-looking statements

This Prospectus includes forward-looking statements that reflect the Issuer's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as the terms "believes", "can", "could", "expects", "forecasts", "intends", "may", "should", "will", "would" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements as a general matter are all statements other than statements as to historic facts or present facts and circumstances. They appear, among other areas, in Section 5 "*Business of the Group*" of this Prospectus, and include statements regarding the Issuer's intentions, beliefs or current expectations concerning, among other things, the position of the Group, prospects, growth, the implementation of strategic initiatives, as well as other statements relating to the Group's future business development, and the industry in which the Group operates, such as, but not limited to, the Group's expansion in existing and entry into new markets in the future.

Prospective investors are cautioned that forward-looking statements are not guarantees of future performance and that the Group's actual financial position, operating results and liquidity, and the development of the industry and potential market in which the Group may operate in the future, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Prospectus. The Issuer cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Important factors that could cause those differences include, but are not limited to:

- the Group's strategy, outlook, and growth prospects;
- the Group's operational and financial objectives, including statements as to the Issuer's medium or long-term growth, margin, and dividend policy;
- the competitive nature of the business in which the Group operates and the competitive pressure and competitive environment in general;

- earnings, cash flow, dividends, and other expected financial results and conditions;
- the expected growth and other developments of the industries which the Group operates;
- the Group's planned investments;
- forecasts; and
- the Group's liquidity, capital resources, capital expenditures, and access to funding.

The risks that are currently known to the Issuer and which could affect the Group's future results and could cause results to differ materially from those expressed in the forward-looking statements are discussed in Section 1 "*Risk factors*".

The information contained in this Prospectus identifies additional factors that could affect the Group's financial position, operating results, cash flow, liquidity, and performance. Prospective investors are urged to read all Sections of this Prospectus for a more complete discussion of the factors that could affect the Group's future performance and the industry in which the Group operates when considering an investment in the Issuer.

These forward-looking statements speak only as of the date on which they are made. The Issuer undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Issuer or to persons acting on the Issuer's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

4 THE BONDS

4.1 Main terms of the Bonds

The Bond Issue is governed by the Norwegian law bond agreement entered into on 12 September 2024 (the "**Bond Terms**") between the Issuer as issuer and Nordic Trustee AS as bond trustee on behalf of the bondholders (the "**Bond Trustee**"). A copy of the Bond Terms is attached to this Prospectus as [Appendix 2](#).

In this Section 4.1 capitalised terms used and not defined herein shall have the same meaning as in the Bond Terms.

ISIN:	NO0013326090
The Bond Issue:	Odfjell Technology Ltd FRN Senior Secured NOK 1,700,000,000 bonds 2024/2028
Issuer:	Odfjell Technology Ltd, an exempted company limited by shares incorporated under the laws of Bermuda with registration no. 202100770 and LEI code 529900ZYHGCPTAD1R169.
Guarantors:	<p>The Original Guarantors and each Material Group Company being directly owned by the Issuer, which as of the date of this Prospectus include:</p> <ul style="list-style-type: none"> i) Odfjell Well Services Norway AS; ii) Odfjell Operations AS; iii) Odfjell Technology (UK) Ltd; iv) Odfjell Engineering AS; v) Odfjell Offshore Ltd; vi) Odfjell Technology Invest Ltd; vii) Odfjell Platform Drilling AS; and viii) Odfjell Technology AS <p>The Guarantees are unconditional and irrevocable Norwegian law guarantees and indemnity (Nw.: <i>selskyl/dnerkausjon</i>) issued by each of the Guarantors in respect of the Secured Obligations.</p>
Group:	The Issuer and its subsidiaries from time to time.
Subsidiary:	A person over which another person has Decisive Influence.
Status of the Bonds and Security:	<p>The Bonds shall constitute senior and unsubordinated obligations of the Issuer and will rank <i>pari passu</i> between themselves and at least <i>pari passu</i> with other creditors (except such obligations which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).</p> <p>The Bonds will be secured on a <i>pari passu</i> basis with the other Secured Parties in respect of the Transaction Security subject to the super senior status of each Revolving Credit Facility and any Permitted Hedging as set out in the Intercreditor Agreement.</p> <p>The RCF Creditors and Hedge Counterparties will receive (i) the proceeds from any enforcement of the Transaction Security and the Guarantees and certain distressed disposals and (ii) any payments following any other enforcement event in respect of any Transaction Security (collectively the "Enforcement Proceeds"), prior to the Bondholders and the Bond Trustee, but otherwise rank <i>pari passu</i> in right of payment with the Bonds, in accordance with the waterfall provisions of the Intercreditor Agreement, subject to obligations which are mandatorily preferred by law.</p>
Date of Bond Agreement:	12 September 2024
Issue amount:	NOK 1,100,000,000

Outstanding amount:	NOK 1,100,000,000
Tap Issue:	<p>The Issuer may on one or more occasions, provided that the conditions set out in clause 6.3 (<i>Tap Issues</i>) of the Bond Terms are met and provided that the Issuer meets the Incurrence Test, issue additional Bonds under the Bond Issue (each such issue, a "Tap Issue"), until the outstanding issue amount equals the Maximum Issue Amount (the Initial Bond Issue). Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue.</p> <p>For Tap Issues not falling on an Interest Payment Date, accrued interest will be calculated using standard market practice in the secondary bond market.</p> <p>If the Bonds are listed on an Exchange and there is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Bonds, the Additional Bonds may be issued under a separate ISIN (such Bonds referred to as the "Temporary Bonds"). Upon the approval of the prospectus, the Issuer shall (i) notify the Bond Trustee, the Exchange and the Paying Agent and (ii) ensure that the Temporary Bonds are converted into the ISIN for the Bonds.</p>
Initial nominal value of each Bond:	NOK 1,250,000
Currency:	NOK
Issue price:	100% of the Nominal Amount.
Securities form:	The Bonds are electronically registered in dematerialised form with CSD (Verdipapirsentralen ASA, also known as Euronext VPS) (Postal address: P.O. 1174 Sentrum, 0107 Oslo, Norway. Registered address Tollbugata 2, 0152 Oslo, Norway).
Issue Date:	16 September 2024
Interest bearing from and including:	Issue Date
Interest bearing until:	Maturity Date
Maturity Date:	16 September 2028
Details of the arrangements for the amortisation of the loan:	The Bonds shall be repaid in full on the Maturity Date at a price of 100.00% of the Nominal Amount (par value).
Voluntary early or partial redemption or equity clawback	<p>Voluntary early redemption – Call Option</p> <p>The Issuer may redeem the Bonds (in whole or in part) at any time from and including:</p> <ul style="list-style-type: none"> (i) the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount; (ii) the First Call Date to, but not including, the date falling 42 months after the Issue Date at a price equal to 102.058% of Nominal Amount (the "First Call Price") (plus accrued interest on redeemed amount); and (iii) the date falling 42 months after Issue Date to, but not including, the Maturity Date at a price equal to 101.029% (plus accrued interest on redeemed amount). <p>Any redemption of Bonds pursuant to the above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.</p> <p>Written notice must be given at least 10 Business Days prior to the proposed Call Option Repayment Date. Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable procedures of the CSD.</p>

	<p>Any redemption notice given in respect of a Call Option may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent, in which case the exercise of the Call Option will be automatically cancelled unless such conditions precedent have been satisfied or waived at least 3 Business Days prior to such Call Option Repayment Date.</p> <p>Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.</p>
Interest:	<p>(a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.</p> <p>(b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.</p> <p>(c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee on behalf of the Issuer, who will notify the Issuer and the Paying Agent and, if the Bonds are listed, the Exchange, of the new Interest Rate and the actual number of calendar days for the next Interest Period.</p>
Interest Rate / Coupon Rate:	3 month NIBOR (zero floor) plus the Margin.
Margin:	3.50% per annum.
Yield:	Investors wishing to invest in the Bonds after the Issue Date must pay the market price for the Bonds in the secondary market at the time of purchase. Depending on the development in the bond market in general and the development of the Issuer, the price of the Bonds may have increased (above par) or decreased (below par).
Interest Payment Date:	The last day of each Interest Period.
Interest Period:	The Interest Period means, subject to adjustment in accordance with the Business Day Convention, the periods between 16 March, 16 June, 16 September and 16 December each year, provided however that an Interest Period shall not extend beyond the Maturity Date.
First Interest Payment Date:	16 December 2024.
Calculation and payment of interest:	<p>(a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.</p> <p>(b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.</p> <p>(c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee on behalf of the Issuer, who will notify the Issuer and the Paying Agent and, if the Bonds are listed, the Exchange, of the new Interest Rate and the actual number of calendar days for the next Interest Period.</p> <p>Payment of interest</p> <p>Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.</p>

Business Day:	A day on which both the relevant CSD settlement system is open and the relevant Bond currency settlement system is open.
Business Day Convention:	Business Day Convention means that if the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Period will be extended to include the first following Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding Business Day (Modified Following).
Time limit on the validity of claims relating to interest and repayment of principal:	All claims under the Finance Documents for payment, including interest and principal, shall be subject to the time-bar provisions of the Norwegian Limitation Act of 18 May 1979 no. 18 relating to the limitation period for claims (currently being 3 years for interest repayments and 10 years for principal).
Put Option:	<p>(a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the "Put Option") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount.</p> <p>(b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to clause 12.3 (<i>Put Option Event</i>) of the Bond Terms. Once notified, the Bondholders' right to exercise the Put Option is irrevocable.</p> <p>(c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5th Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.</p> <p>(d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to clause 10.3 of the Bond Terms, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.</p> <p>Early redemption due to a tax event</p> <p>If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to clause 8.4 (<i>Taxation</i>) of the Bond Terms as a result of a change in applicable law implemented after the date of the Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.</p> <p>Mandatory early redemption due to a Mandatory Redemption Event</p> <p>Upon a Mandatory Redemption Event, the Issuer shall, within 2 Business Days after the Mandatory Redemption Event (with the Longstop Date being the record date), redeem (i) all the Bonds (originally subscribed and paid for in cash) at a price equal to 101.00 per cent. of the Nominal Amount, and (ii) the Initial Temporary Bonds at a price of 101.00 per cent. of the Nominal Amount (and subject to the further terms set out in clause 2.2 (<i>Settlement</i>) of the Bond Terms in both events (i) and (ii) plus accrued and unpaid interest on the Bonds to be redeemed), by inter alia applying the funds deposited on the Escrow Account and the Existing Bonds deposited on the Bond Escrow Account for such redemption.</p>
Put Option Event:	A Put Option Event means a Change of Control Event.
Change of Control Event:	A Change of Control Event means if:

	<p>(a) any person or group of persons acting in concert, other than the Odfjell Family, gains Decisive Influence over the Issuer; or</p> <p>(b) the common shares of the Issuer are delisted from the Oslo Stock Exchange.</p>
Covenants:	General and financial covenants apply to the Issuer. See clauses 12 (<i>Information undertakings</i>) and 13 (<i>General and financial undertakings</i>) of the Bond Terms for more information.
Listing:	The Issuer shall use its reasonable endeavours to ensure that the Bonds are listed on an Exchange within nine months from the Issue Date, i.e. 16 June 2025, and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.
Use of proceeds:	The net proceeds from the Bond Issue (net of legal costs, fees of the Joint Bookrunners and the Bond Trustee and any other agreed costs and expenses), together with available cash, shall be employed (i) to repay the Existing Bonds in full and (ii) for general corporate purposes of the Group.
Bond Terms:	<p>Bond Terms means the terms and conditions, including all Attachments which form an integrated part of the Bond Terms, in each case as amended and/or supplemented from time to time.</p> <p>The Bondholders shall be bound by the terms and conditions of the Bond Terms and any other Finance Document without any further action required to be taken or formalities complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.</p> <p>The Bond Trustee acts as the representative with binding effect of all the Bondholders, following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents, arranging Bondholders' meetings, and taking action on behalf of all the Bondholders in accordance with Bondholders' instructions.</p> <p>For further details of the Bond Trustee's role and authority as the Bondholders' representative, see clause 16 (<i>The Bond Trustee</i>) of the Bond Terms. Information regarding Bondholders' meeting and the Bondholders' right to vote are described in clause 15.2 (<i>Procedure for arranging a Bondholders' Meeting</i>) of the Bond Terms.</p>
Finance Documents:	<p>Means:</p> <ul style="list-style-type: none"> (i) the Bond Terms; (ii) the Transaction Security Documents; (iii) the Bond Trustee Fee Agreement; (iv) any Security Agent Agreement; (v) the Intercreditor Agreement; and (vi) any other document the Issuer and the Bond Trustee agree to be a Finance Document.
Bondholders' Meeting:	<p>At the Bondholders' Meeting each Bondholder (or person acting for a Bondholder under a power of attorney) has one vote for each bond he/she owns. The Issuer's Bonds shall not carry any voting rights.</p> <p>At least 50% of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.</p> <p>Resolutions shall be passed by a simple majority of the Voting Bonds represented at the Bondholders' Meeting.</p> <p>In the following matters, approval of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required: Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a)(i) and (ii) of clause 17.1 (<i>Procedure for amendments and waivers</i>) of the Bond Terms, a majority of at least 2/3</p>

	<p>of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of the Bond Terms.</p> <p>Subject to the Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting may also be resolved by way of a Written Resolution.</p> <p>For further details of the Bondholders' Meeting's authority, procedures, voting rules and written resolutions, see Clause 15 (<i>Bondholders' Decisions</i>) of the Bond Terms and Section 4.2 below.</p>
Bond Trustee:	Nordic Trustee AS, Postboks 1470 Vika, NO-0116 Oslo, Norway, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
Joint Bookrunners for the Bond Issue:	Danske Bank, Norwegian branch and DNB Markets, a part of DNB Bank ASA.
Paying Agent:	DNB Bank ASA, with registration number 984 851 006 and registered address Dronning Eufemias gate 30, 0191 Oslo, Norway.
Transfer of Bonds:	<p>Bondholders that are U.S. persons or located in the United States will not be permitted to transfer the Bonds except (a) subject to an effective registration statement under the Securities Act, (b) to a person that the Bondholder reasonably believes is a QIB within the meaning of Rule 144A that is purchasing for its own account, or the account of another QIB, to whom notice is given that the resale, pledge or other transfer may be made in reliance on Rule 144A, (c) outside the United States in accordance with Regulation S under the Securities Act in a transaction on the Exchange, and (d) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available).</p> <p>The Bonds may not, subject to applicable Canadian laws, be traded in Canada for a period of four months and a day from the date the Bonds were originally issued.</p>
Legislation under which the Bonds have been created:	Norwegian law.
Fees and expenses:	Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer is not responsible for reimbursing any such fees.

4.2 Bondholders rights

The rights attached to the Bonds are set out in the Bond Terms, which is enclosed as [Appendix 2](#) to this Prospectus. Below is a summary of principal rights and competencies. Capitalised terms used and not defined herein shall have the same meaning as in the Bond Terms.

4.2.1 Bondholders' meetings

The Bondholders' meeting is the highest authority in the Bondholders' community. The Bondholders' meeting may on behalf of the Bondholders resolve to alter any of the Bond Terms, including but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes. The Bondholders' meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro-rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal. The Bondholders' meeting may not adopt resolutions that will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.

Subject to the power of the Bond Trustee to take certain actions, if a Bondholders' resolution or approval is required, such resolution may be passed at a Bondholders' meeting. Resolutions passed at any Bondholders' meeting will be binding upon all Bondholders.

Bondholders' meetings are convened by the Bond Trustee upon a written request from the Issuer, Bondholders representing at least 1/10 of the voting Bonds, the Exchange (if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange), or the Bond Trustee, specifying the matters to be discussed and resolved. The Bond Trustee shall convene bondholders' meetings within ten Business Days of receiving a valid request. Summons to a Bondholders' Meeting must be sent no later than ten Business Days prior to the proposed date of the Bondholders' Meeting. If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days after having received a valid request for calling a Bondholders' Meeting pursuant, then the requesting party may call the Bondholders' Meeting itself. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform). Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to the Bond Terms, a description of the proposed amendments must be set out in the Summons. Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.

By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to clause 10 (*Redemption and Repurchase of Bonds*).

The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' meeting, regardless of who has convened the meeting, including any reasonable costs and fees incurred by the Bond Trustee.

At least 50% of the voting Bonds must be represented at a Bondholders' meeting for a quorum to be present. Each Bondholder, the Bond Trustee and representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder shall have the right to attend the Bondholders' meeting. The chairperson (the Bond Trustee or such other representative) elected by the Bondholders' meeting may grant access to the meeting to other persons, unless the Bondholders' meeting decides otherwise. In addition, each person entitled to attend the meeting has the right to be accompanied by an advisor.

Even if the necessary quorum is not achieved, the Bondholders' meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' meeting. The Bond Trustee or the person who convened the initial Bondholders' meeting may, within ten Business Days of the initial Bondholder meeting, convene a repeated meeting with the same agenda as the first meeting, in accordance with the same procedures as the initial Bondholder's meeting, with the exception that the quorum requirements set out in paragraph (e) of clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' meeting. A Summons for a repeated Bondholders' meeting shall also contain the voting results obtained in the initial Bondholders' meeting. Such a repeated Bondholders' meeting may only be convened once for each original Bondholders' meeting.

4.2.2 Voting rights

Each Bond carries one vote. In order to exercise voting rights, the Bondholder must be the registered owner of the Bonds at the relevant record date, being the Business Day immediately preceding the date of the respective

Bondholders' decision, or another date accepted by the Bond Trustee. If the beneficial owner of a Bond is not registered as a bondholder in the CSD and wishes to exercise his or her rights as a bondholder, he or she must obtain proof of ownership of the Bonds acceptable to the Bond Trustee.

Ordinary resolutions are passed by a simple majority of the voting Bonds represented at the Bondholders' meeting. Any amendments or waivers of the Bond Terms require a majority of at least two-thirds of the voting Bonds represented at the Bondholders' meeting for approval, save for such amendments or waivers which can be made without resolution pursuant to paragraph (a) section (i) and (ii) of clause 17.1 (*Procedure for amendments and waivers*) of the Bond Terms.

4.2.3 Written bondholders' resolutions

Subject to the Bond Terms, matters that may be resolved by the Bondholders' meeting may also be resolved by way of a written resolution if passed with the relevant majority. The person requesting a Bondholders' meeting may instead request that the relevant matters are to be resolved by written resolution only, unless the Bond Trustee decides otherwise.

Summons for written resolutions shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release. The summons for written resolutions shall include instructions on how to vote for each separate item, and the time limit within which the Bond Trustee must have received all votes necessary in order for the written resolution to be passed with the requisite majority, which shall be at least ten but not more than 15 Business Days from the date of the summons. Otherwise, unless conflicting, written resolutions are subject to the same procedures as Bondholders' meetings in respect of Bondholders' authority, quorums, voting rules, and repeated resolutions.

Only Bondholders of voting Bonds registered with the CSD on the relevant record date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee, will be counted in the written resolution.

4.3 Reasons for the Listing

This Prospectus is being produced in connection with the Issuer's application for the admission to trading of the Bonds on the Oslo Stock Exchange.

Pursuant to clause 4 of the Bond Terms (*Admission to listing*), the Issuer shall ensure that the Bonds are listed on the Oslo Stock Exchange within 9 months from the Issue Date, i.e. 16 June 2025, and thereafter remain listed on an Exchange (as defined in the Bond Terms) until the Bonds have been redeemed in full.

The Issuer will apply for the Bonds to be listed and admitted to trading on the Oslo Stock Exchange on or around 11 April 2025, as soon as possible after (i) this Prospectus has been approved by the Norwegian FSA. Approval of the application and commencement of trading in the Bonds is expected to take place on or about 11 April 2025, subject to fulfilment of any criteria set by the Oslo Stock Exchange.

Following the Listing, the Bonds will be admitted to trading on the Oslo Stock Exchange under the ticker code "OTL02".

The total costs of the Issuer in connection with the listing of the Bonds on Oslo Stock Exchange are estimated by the Issuer to be approximately NOK 470,000.

4.4 Tax warning

Potential investors should be aware that changes in the tax legislation of the investors' and of the Issuer's country of incorporation may have an impact on the income received from the Bonds. There can be changes in the applicable tax legislation, increased taxation by national, local or foreign authorities, new or modified taxation rules and requirements, including requirements relating to the timing of any tax payments, which may have an impact on the on the income received from the Bonds.

4.5 No credit ratings

There are no credit ratings assigned to the Issuer or the Guarantors, either at their request or with their cooperation in the rating process.

5 BUSINESS OF THE GROUP

5.1 Introduction and business overview

5.1.1 Introduction

The Group is a Well Services, Operations and Projects & Engineering provider with nearly 50 years of experience. The Operations and Projects & Engineering services are focused mainly on the North Sea. The Well Services performs work in strategic locations across mainland Europe, the Middle East, Africa and Asia. As of the date of this Prospectus, the Group has about 2,500 employees serving clients in around 30 countries from 15 bases in Europe, Asia and the Middle East. The Group operates through three segments: Projects & Engineering, Well Services and Operations, and the Group's clients are primarily major oil and gas companies. In the financial information included in this Prospectus, the Group's reporting is divided into three segments; Well Services, Operations and Projects & Engineering.

The Group was previously part of the Odfjell Drilling group, but was launched as a spin-off in 2022, whereby the relevant Well Services and Energy companies became subsidiaries of the Issuer. Following the spin-off in 2022, the Issuer became the ultimate parent company of the Group and was listed on the Oslo Stock Exchange on 23 March 2022.

Below is an overview of the segments of the Group.



Projects & Engineering

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



Well Services

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



Operations

Extensive experience and competency in operating offshore drilling facilities and in jack-up management

For further information on the Group's operations, please see Section 5.3 "*Products and Services*" below.

5.2 History and important events

5.2.1 Establishment of the Issuer and the Group

Odfjell Technology's roots trace back to 1914, when the shipping company Odfjell A/S was first established, developing into an industry leader in the chemical tankers shipping industry. Towards the end of the 1960s, the Odfjell family decided to construct a semi-submersible drilling rig in Norway, built and funded by Norwegians, as the activity in the oil industry was growing rapidly. In October 1971, the Odfjell family led a Norwegian investment group that formed the company Deep Sea Drilling Company A/S.

The Aker group was initially a key partner of the Odfjell Drilling group, as its first construction contract was signed with the Aker group. After meeting several oil companies, a drilling contract was agreed with ELF in Paris on 15 January 1973, and the rig was delivered on 15 February 1974. This contract breakthrough and subsequent successful newbuild development, led to the establishment of Odfjell Drilling and Consulting Company A/S ("**ODCC**"), which was later renamed Odfjell Drilling A/S, on 8 February 1973.

Over the next years, ODCC used its experience from the building of the first H3 rigs to expand its consulting business. The procurement of drilling equipment had given the company expertise and a valuable network of American suppliers and in a short time ODCC became responsible for ordering and delivering eight drilling packages. The work entailed selecting, evaluating and purchasing drilling equipment/drilling packages, as well as follow-up and quality control of suppliers and follow-up and testing in connection with the installation of the equipment on board. ODCC thereby acquired unique expertise and a valuable basis for further developing the company.

When the first big crisis hit the Norwegian offshore industry in 1975/1976, this expertise came into its own in a new setting; a lot of drilling equipment became available and the Odfjell Drilling group used its expertise to buy relevant drilling equipment for the purpose of renting it out. Odfjell Rental, the predecessor of Odfjell Well Services, was born.

When the "Statfjord A" platform was built, the Odfjell Drilling group rented its core machinery to the operating company, Mobil. Based on its past experience, the Odfjell Drilling group was able to build, own and operate drilling facilities for Mobil's new and prestigious "Statfjord B" platform in 1978. This was the first platform drilling contract ever awarded to a Norwegian company. In the years that followed, the Odfjell Drilling group established services in casing handling and expanded within tool rental and maintenance of drilling equipment, well maintenance, and engineering services.

In an industry that was changing rapidly, the Group diversified its services to maintain a foothold in several business and geographical areas. In 1977, the Odfjell Drilling group established an office in the UK with the aim to manage its business on the United Kingdom Continental Shelf (the "**UKCS**"). The Group's presence on the UKCS has gradually increased over the years.

The Group's well service division secured contracts in the Netherlands, the UK and Canada in the 1980s, and, as its business grew geographically, the services it offered were managed from offices and bases in 20 countries across Europe, Africa and Asia. Today, several international contracts are managed from the office in Dubai, UAE.

During 2002 and 2003, a new business was established in Aberdeen, UK to manage new platform drilling contracts for fixed installations. In addition, since the millennium Well Services has expanded its operations considerably, both geographically, and with new sophisticated equipment such as a top drive casing running tool and wired drill pipe; new methods such as "Casing while drilling"; and with new product lines such as well bore cleaning and mooring rental.

From the beginning of this century, Odfjell Technology has expanded in all its business areas. By the end of 2023 the Group had approximately 2,200 employees whereof 1,850 were working offshore. The Group currently has drilling and maintenance operations on 16 fixed installations in the North Sea and the well services business area provides services in approximately 30 countries from 12 strategic locations.

5.2.2 Historic milestones

The table below provides an overview of key events in the history of the Group from its inception and up to the date of this Prospectus:

Year	Main events
1975	• Odfjell Drilling and Consulting Company A/S was born and acquired drilling equipment for subsequent rental
1982	• Troms Oilfield Services AS (casing running company) established with the first employees hired
1984	• Present with casing running services on North Continental Shelf

Year	Main events
1988	<ul style="list-style-type: none"> Purchased Salvesen Tubular Services, and several other acquisitions in the 1980s including: KL Oil Tools A/S in Stavanger, Petroleum Tubular Services Ltd in Aberdeen and Norsk Brønnservice A/S
1990s	<ul style="list-style-type: none"> Remote operated casing tongs introduced – developed in-house – and several M&A transactions and divestments occurred.
1990-97	<ul style="list-style-type: none"> Geographical expansion to South East Asia and Australia
1994	<ul style="list-style-type: none"> Odfjell Snubbing Services established
2003	<ul style="list-style-type: none"> Established in the Middle East through purchase of Ntera Ltd in Abu Dhabi and Dubai
2005	<ul style="list-style-type: none"> Re-established Odfjell Well Services in UK and the Netherlands
2008	<ul style="list-style-type: none"> Remote operated slips with safety clamp introduced, acquisition of automated casing running tool and deep sea mooring established.
2010	<ul style="list-style-type: none"> Acquisition in fishing services and wellbore clean-up
2010-2012	<ul style="list-style-type: none"> Global geographical expansion in Middle East, Africa, Europe, Brazil and Asia within Well Services and rig and drillship operations
2013	<ul style="list-style-type: none"> Deep Sea Mooring sold to Hitec Vision
2017	<ul style="list-style-type: none"> DrillRDillo drilling scraper used for the first time in Angola
2018	<ul style="list-style-type: none"> Successfully completed world's first Inflow Test in a High Temperature High Pressure well
2020	<ul style="list-style-type: none"> Invested in Odfjell Oceanwind AS which develops, owns and operates mobile offshore wind units Secured several multi-year contracts with clients
2021	<ul style="list-style-type: none"> Re-entry into mooring business
2022	<ul style="list-style-type: none"> Odfjell Drilling Ltd split the Well Services, Operations and Projects & Engineering business into Odfjell Technology Ltd (the "Split"), and Odfjell Technology Ltd was listed on the Oslo Stock Exchange. Entered into management agreement with SFL for Linus
2023	<ul style="list-style-type: none"> Contract with Repsol for drilling services on Yme Inspirer
2024	<ul style="list-style-type: none"> NOK 1,100 million senior secured bond successfully placed Secured workover contract with BSP Change in Equinor contract portfolio

5.3 Products and Services

5.3.1 Projects & Engineering

The Projects & Engineering business area offers project and engineering services ranging from design and engineering to project management, modifications and upgrades, rig re-activation, third party equipment installations, 5 yearly SPS re-certifications and yard stays. The Projects & Engineering business area performs small or medium sized stand-alone projects, including engineering and project management, procurement and installation. The mobile offshore drilling unit ("**MODU**") services are mainly provided to the Odfjell Drilling fleet and MODU's clients and to oil and gas companies via the platform contracts.

The Engineering business area also has a successful track record of the MODU newbuild projects and yard stays spanning approximately 50 years. It also occupies a strong position in the North Sea market. The Projects & Engineering business has inter alia delivered engineering services during construction of Odfjell Drilling's units Deepsea Atlantic (2006 – 2009), Deepsea Stavanger (2007 – 2010), Deepsea Metro I (2008 – 2011), Deepsea Metro II (2008 – 2011), Deepsea Aberdeen (2012 – 2014), Deepsea Nordkapp (2018 – 2019), and Deepsea Yantai (2018). With respect to yard stays, the engineering business area provides services to drilling contractors and yards including Odfjell Drilling's fleet, Songa Trym (2011 – 2012), Songa Delta (2011 – 2012) and Island Innovator (2012 – 2013).

Projects & Engineering business area also provide services to asset integrity management, and explore possibilities to apply their experience and competence to markets outside the oil and gas market. Specific focus is being placed on identifying opportunities to support the transition towards renewable energy and sustainable markets, especially in Norway. In this the Group provides emissions and energy efficiency mapping to clients and engineering capacity to Odfjell Oceanwind AS and its group. In response to the market conditions within the oil and gas sector and an

increased ambition towards the green transition, the Projects & Engineering business area is preparing for growth and resources are being added where necessary to meet the demand. As of February 2025, the Projects & Engineering business area consisted of 270 employees and 80 contractors in total based on delivery obligations.

5.3.2 *Well Services*

The Well Services segment provides casing and tubular running services (both automated and conventional), drilling tool and tubular rental services and specialist well intervention products and services for exploration wells and for production purposes. The Group provides services in approximately 30 countries, from 15 bases in Europe, Asia and the Middle East, with particular focus on the offshore markets in the North Sea. In total, the Group provides well services to more than 30 drilling rigs. The Group has approximately 35 years of experience in the global well services market, and is of the opinion that it is one of the leaders in remote operated handling equipment for casing and tubular running services. In the drilling tool rental business, the Group benefits from a well-developed supplier base, and offers a large inventory of modern and high-quality drilling tools and equipment, which have been manufactured and certified in accordance with applicable industry standards. In addition to this, the Group has a strong position within the market for wellbore clean-up tools, developed through inhouse research and development and engineering along with a proven track record of fishing and casing-exit services in international markets. The Group aims to be a single supply source for drillers and operators and retains the capability to design custom-made equipment. The Well Services segment currently serves approximately 200 clients worldwide, of which 30 constitute material volumes.

5.3.3 *Operations*

The main service offering of the Operations business area is production of drilling and well completion on clients' fixed platforms. Other types of services offered are slot recovery, plug and abandonment, workovers and inspection, construction and maintenance activities. In this business area, the Group offers platform drilling services on both fixed production platforms and on floating production platforms along with the management of and performance of the same services on leased jack-up rigs. The Group has approximately 40 years of experience in platform drilling operations and, due to long standing customer relations and consistent performance, the Group is of the opinion that it is one of three leading platform drilling service providers in the North Sea, focusing on the high-end of the market for platform drilling services. Within the Operations business area, the Group's clients are, among others, Equinor, BP, ConocoPhillips, TAQA, BSP, ODL Shelf, and Serica.

5.4 **Competitive strengths**

5.4.1 *An experienced and safe drilling service provider*

The Group is a drilling services provider, building on experience and expertise developed during more than 40 years of delivering a portfolio of complementary drilling and engineering services to clients.

The Group has a strong footprint on the Norwegian Continental Shelf ("**NCS**") and UKCS, two of the most demanding offshore markets with high barriers to entry due to stringent regulatory and technical requirements. In Norway, the Group has a long-standing and strong relationship with Equinor ASA, the major oil and gas company on the NCS, dating back to 1979. Odfjell Technology's strong operational track record is further evidenced by the Group's ability to maintain relationships with major oil and gas clients such as BP, ConocoPhillips, BSP, ODL, Shelf, TAQA, Serica and others through long-term contracts. This has been recently evidenced by the contract extension of the Mariner and Johan Sverdrup contracts in 2024, including Visund and Grane, the contract extension with BP in 2024 for the Clair Field, the contract extension with ConocoPhillips in 2025, and winning the BSP contract in 2024.

The Group works systematically to improve Quality, Health, Safety and Environment ("QHSE") and to maintain a high QHSE standard within all its activities, with key performance indicators including quality performance, always staying safe, security consciousness and environmental care. The Group has an overall zero fault philosophy related to incidents and failures, which also includes prevention of pollution of the environment. The Group has managed to maintain a high level of safety within all its activities and works continually to maintain the highest safety standards and to protect the health of its employees and others involved in its operations. The lost time incident frequency (H1), total recordable incident frequency rate (H2) and dropped object parameters have remained on a steady low frequency over time and new continuous improvement measures are initiated through safety step-up initiatives in all business areas. Safety is a cornerstone in Odfjell Technology and safety consciousness is one of its core values. Leadership, good risk understanding and continuous focus on safety is essential. The Group considers a safe operation to also be an efficient one and considers it to be important and necessary to work with safety as an integrated part of its operations.

5.4.2 *Strong competence with demonstrated project execution capabilities*

The Group is of the opinion that it has a strong position in the market for tubular running services, based on experienced success rate in tenders which the Group has participates in. The Group's Well Services segment has a technologically advanced product and service portfolio, which includes automated tubular running services, remote operated handling equipment and a rental business with a large inventory of down-hole tools. In addition, the Group has developed patents for well intervention operations. The Group believes that its Rental Equipment is among the most modern in the industry and has been manufactured to high industry standards. The Well Services segment also has a proven track record of establishing and developing new services and business from in-house technological developments, joint developments with external parties and from being an early adopter of new commercially available technology. For example, the new generation, fully mechanical, casing running tool has had a positive impact on the Group's casing operations by reducing the number of required personnel, saving rig-time and improving safety by eliminating the need for personnel presence in high-risk working areas on the drill floor. This casing running tool is also expected to increase the success rate of setting casing through problem zones. A new development from 2024 is the acquisition of a small technology company in Aberdeen, providing Well Services with several tools added to the Well Services portfolio. The tools are mostly tools used in plug and abandonment operations, but also tools used for slot recovery, as whipstocks. The addition of tools to the portfolio increases the footprint for Well Services within the plug and abandonment segment.

Another strategic direction for Well Services has been to enter the market of powered wired drill pipe. This technology is enabling direct data transmission from the wellbore to the rig at the same time as providing power, reducing the need for downhole batteries and opening up for opportunities for electrical operation of tools not seen before. The Well Services segment continues to face fierce competition. However, during the same period the Well Service segment has continued to maintain acceptable margins, with EBITDA-margins in 2022 and 2023 of 36% and 36%, respectively; this is a result of a continuing focus on cost management along with the strength and diversity of the existing contract backlog. At the same time the Group has seen increased tender activity and demonstrated a winning strategy for many of these new and strategically important contracts. As a result of these contract awards, Well Services has increased its capital expenditure in 2022 and 2023 to supplement existing inventory. Capital expenditure is expected to fluctuate based on contract wins and the activity growth rate.

Odfjell Technology, through its Projects & Engineering segment, employs 270 skilled engineers permanently and 80 temporarily. The engineers support both internal and external customers; their services include modifications, upgrades, project management, 5 yearly SPS re-certifications, studies, surveys, marine analysis and operations, and asset integrity management in the MODU segment, and maintenance, studies, surveys, modifications and upgrades to topside drilling equipment on fixed platforms. Since 1973, the Group has been successfully involved in several newbuilding projects, and commissioning, upgrade and renewal projects on fixed and floating drilling units, and has implemented innovative design and technology with core expertise within harsh environment and

deepwater drilling operations. For example, the Group has introduced innovative technologies such as the battery pack solution being installed on the Odfjell Drilling fleet of units to ensure stable energy consumption with less peaks and troughs and in turn reducing diesel consumption. Such innovative technology is an enabler so that the drilling units can be powered by renewable energy from mobile offshore wind turbines. The Group has provided detailed engineering and installation of this solution to the MODU group.

Since the award of the first platform drilling contract with Mobil Exploration for Statfjord B in 1978, the Group has been a major provider of platform drilling services on the NCS and UKCS. Currently, the Group has a large number of contracts in its Operations segment. In 2013, the group won the platform drilling contract for the Equinor new build platform Mariner for the UKCS, the contract has been extended and is now under a two year option lasting till November 2026, with an additional further two-year option remaining thereafter.

In 2015, Equinor awarded the Group the platform drilling contract for another new build platform, Johan Sverdrup. The contract included provision of detailed engineering for the topside drilling package as a subcontractor to Aibel in the construction contract. In 2024 Equinor included Visund and Grane to the Norwegian portfolio. In 2025 Conoco extended the Ekofisk drilling and maintenance contract for 3 years. In the jack-up segment, the Issuer currently manages or supports 3 operations. The jack-up rig Linus is as of 2022 under a management contract for SFL providing drilling services to Conoco Phillips Norway. In addition, OTL are delivering drilling services on the jack-up rig YME Inspirer for Repsol Norway and a technical service agreement to Shelf Drilling for the Shelf Barsk jack-up. On the UKCS, in 2017 the Group was awarded a platform drilling contract with TAQA Bratani for five installations which was later renewed for a further 5 years after a tender in 2021. In 2021 Odfjell Technology entered into an alliance agreement with BP for the provision of services on the Clair field in the UK, the contract was extended by two years in 2024 now lasting into Q1 2027. By 2025, the Group has drilling, technical and maintenance contracts for 18 installations in the North Sea, in addition to the Modular Drilling Unit which is in preparation phase for workover services in Brunei for BSP. Since 2024 the inspection and offshore construction and maintenance business unit, Rig Inspection Services - RIS, has grown significantly. The RIS service deliveries was started as an integrated service alongside P&E, mainly towards the Odfjell Drilling units, but has since increased its service and deliveries to the platform drilling segment and other external clients.

In the past, the Group has been able to add and sell other services under its contracts and thereby achieve greater economies of scale through more efficient usage of overhead and support functions. The Issuer intends to build on these experiences to achieve greater cost-efficiencies in the future. The Group's multiple contact points with its clients across its business segments provide cross selling opportunities. For example, the Issuer has been awarded several contracts with BP across its three segments throughout their long-standing relationship:

- Platform drilling contract on the Gyda platform awarded in 1989 (Drilling Operations);
- Well intervention contract on the Gyda and Ula platform awarded in 2002 (Well Services);
- Well intervention contract on several UKCS fields awarded in 2003 (Well Services);
- Platform drilling contract for five installations in the UKCS sector awarded in 2009 (Operations);
- Site assistance, commissioning and platform drilling on newbuild Clair Ridge for BP with drilling start in 2018 (Operations);
- Wired drill pipe rental contract for use on Deepsea Nordkapp awarded in 2018 and subsequent extension in 2021 (Well Services); and
- Alliance agreement agreed for provision of integrated services on Clair field in UKCS (Operations and Well Services).

The same strategy has been followed with other key clients such as Shell, Equinor and others who are the Group's clients across several segments.

5.4.3 *Favourable market dynamics with key Odfjell Technology's strengths matching underlying growth drivers*

The global nature of the Group's organisation benefits it by affording the Group: (i) the ability to serve clients in several geographic locations; (ii) multiple revenue sources; (iii) increased flexibility in asset deployment; (iv) the ability to expand segment operations through existing relationships in other locations; and (v) the ability to use its experience in the challenging North Sea basin which is relevant as key growth areas globally are expected to be in challenging regions. Further, Odfjell Technology is well-placed to respond to certain key trends in the global oil and gas industry:

- Drilling operations are increasing in complexity, and are taking place in more challenging reservoirs. Odfjell Technology has multiple drilling competencies, specialist wellbore products and strong engineering capabilities;
- There is increasing focus on technology, innovation and the integration of services – Odfjell Technology has a reputation for quick and successful implementation of new technologies and operational models; and
- Strong focus on QHSE and an increasingly demanding regulatory climate – Odfjell Technology has a strong QHSE track record, evidenced by its strategic partnerships with clients like BP and Equinor for improved, safer and more efficient drilling operations.

5.4.4 *Solid financial profile with diversified and predictable cash flow*

Odfjell Technology has a mix of long- and medium-term contracts within the Operations segment, frame agreements/call off based contracts within the Well Service segment and secured engineering projects within the Projects & Engineering segment with the total order backlog of approximately NOK 13.3 billion including priced option periods for the Operations and Well Service segment, and NOK 6 billion excluding priced option periods. This backlog provides the Group with cash flow visibility. The Group's mix of long- and medium-term contracts also provides upside potential if the Group is able to obtain new contracts upon expiration of old contracts and the drilling and service markets remain strong.

5.4.5 *Highly experienced organisation with reputable and experienced management team*

The Group's senior management team has extensive experience in the oil and gas industry, and particularly in oilfield services, drilling and engineering, both at the corporate and divisional level. In addition, the Group has developed significant human capital throughout the organisation based on its long history and strong ability to attract and retain competent personnel as a result of its reputation as an attractive employer. Through the Group's employee development programmes, a strong QHSE culture has been established, which the Issuer believes is a strong competitive advantage. The Issuer believes that the management team's experience, technical expertise and strong client relationships, together with its continued investments in the Group's employees, enhance its ability to deliver superior service to clients and operate effectively on a global basis.

5.5 **Strategy**

The Group has developed an overall business strategy that includes the following elements:

5.5.1 *Increase cost efficiencies and group-internal synergies without compromising on health and safety standards*

The Group has a history of pursuing ways to increase cost efficiencies and it intends to continue to do so without compromising its QHSE standards. The Group will continue to look for synergies by standardising procedures, technology, systems and controls. Currently, the Group has developed and implemented a margin improvement program, expected to run for two years.

5.5.2 *Prudent expansion and diversification*

Historically, Odfjell Technology has expanded its business in a prudent and strategic manner and the Issuer expects to continue pursuing growth that is sustainable and within acceptable risk parameters. The Issuer aims for organic expansion within all its segments; but intends to enter new markets and alternative segments of existing markets by offering additional services and products that compliment and can be developed from our existing competencies. Pursuing a prudent growth strategy may also be achieved through joint ventures with local partners in order to reduce risk and also to leverage local partners' expertise operating in the market.

5.5.3 *Build on existing engineering competencies to develop sustainable energy projects and venture into green technologies*

Odfjell Technology's strategy is to utilise its oil and gas heritage and specialist competence to serve new energy markets with the recognition of the need to move away from fossil fuels to become a net-zero society. As a first phase, Odfjell Technology will build synergies and complementary technologies and services with Odfjell Oceanwind AS, as well as energy mapping and implementation of new energy efficient and low emission technologies, including use of hybrid solutions and green energy, onboard third-party vessels. Over the last years, the Group has taken planned steps to realise the strategic opportunities that lie in the energy transition. The Energy segment started its innovation department in 2020, and has since then expanded the service portfolio to help clients with screening, baseline analysis, funding applications and implementation of energy management. With the investment in Odfjell Oceanwind AS, the Group is taking steps into the renewables segment, using existing competence within hull, marine and electro-engineering to develop mobile offshore wind units. This is a good example of how the oil and gas industry can utilise decades of competence to develop solutions for the future. Further, the Issuer will evaluate other value chain entry points with the aim to over time transition into new energy markets.

5.5.4 *Achieve a balanced portfolio that includes a diversity of clients, a mix of medium- and long-term contracts, and growth across all of its segments*

Across the Group's segments, the core client base includes large, reputable companies such as Equinor ASA, BP, ConocoPhillips, Odfjell Drilling Ltd., SFL Ltd, Saudi Aramco and Halliburton. The Issuer intends to focus on building strong long-term relationships with a diverse range of oil and gas and service companies. In addition to having a diverse and strong client base, the Group intends to maintain a balanced mix of medium- and long-term contractual periods in order to secure predictable earnings as well as the capacity to react to and benefit from market improvements.

5.6 **Material agreements outside the ordinary course of business**

No company within the Group has entered into any material contracts or other agreements containing rights or obligations of material importance to such company or the Group outside the ordinary course of business during the two years preceding the date of this Prospectus. Considering the current state of development of the Group, it is the Issuer's opinion that the Group's existing business and profitability are not dependent upon any single contracts.

5.7 **Legal and arbitration proceedings**

5.7.1 *Odfjell Offshore Ltd*

Odfjell Offshore Ltd ("**Odfjell Offshore**"), a subsidiary of Odfjell Technology, was registered as a Norwegian Registered Foreign Company (NUF) on 8 March 2016 after migration of the company in January 2016, and is taxable for income to Norway. In 2017, the company filed for a tax deduction, of approximately NOK 2.3 billion, on

redemption of shares in Deep Sea Metro Ltd. A total of NOK 1.3 billion of this loss has been utilised through Group contributions received from other Norwegian entities within the Group in the period 2017 to 2021.

On 21 December 2022 Odfjell Offshore received a tax ruling from the Norwegian Tax Authorities where the tax loss on the realisation of shares in 2017 was denied on the basis of the anti-avoidance rule developed as tax case law. Odfjell Offshore appealed the administrative tax ruling to Hordaland District Court, which was litigated at the beginning of December 2024. The court issued a judgment on 23 January 2025 in favour of the Norwegian Tax Authorities. The judgment is appealed to Gulating Court of Appeal.

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. The amount was financed and refunded from Odfjell Drilling Ltd., as it is covered by the letter of indemnity issued 1 March 2022 to Odfjell Technology. Odfjell Drilling Ltd will hold the Issuer indemnified in respect of any liability that may occur in relation to the ongoing Odfjell Offshore tax case for the financial years 2017 through to 2021. This includes financing of prepayments to the Norwegian Tax Authorities, and funds for legal proceedings.

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.

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. For the financial years 2022, 2023 and 2024 this accumulates to NOK 111 million which is presented as deferred tax asset at 31 December 2024.

5.7.2 Odfjell Technology (UK) Ltd

As described under Section 1.2.4 "*Historical National Insurance Contributions*", Odfjell Technology (UK) Ltd is currently subject to challenges by HMRC regarding the application of NIC to workers in the UK Continental Shelf in tax years 2003/2004 to 2013/2014. In 2021, a decision was issued by HMRC against Odfjell Technology (UK) Ltd. Odfjell Technology (UK) Ltd appealed the decision, and in January 2025 the first-tier tribunal ruled in favour of HMRC. Odfjell Technology (UK) Ltd has received permission to appeal this ruling to the Upper Tribunal, and no payment of the disputed National Insurance amounts will be made pending this appeal.

Other than as set out above in this Section 5.7, neither the Issuer nor any other Group company have been part of any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), for at least the previous 12 months which may have, or have in the recent past, had significant effects on the Issuer or the Group's financial position or profitability.

6 SELECTED HISTORICAL FINANCIAL INFORMATION AND OTHER INFORMATION

6.1 Introduction, basis of preparation

The financial statement information referenced in this Section 6 has been sourced from the Issuer's Financial Statements and the Guarantors' Financial Statements, as defined in, respectively, Section 3.2.1 "*The Issuer's Financial Statements*" and Section 3.2.2 "*The Guarantors' Financial Statements*".

6.2 The Issuer

The Issuer's Financial Statements is included in [Appendix 11](#).

The table below references pages in the financial statements for Odfjell Technology Ltd. as of and for the financial years ended 31 December 2023 and 31 December 2022.

	Annual report for the year ended 31 December 2023	Annual report for the year ended 31 December 2022
Consolidated statement of income	Page 51	Page 57
Consolidated statement of comprehensive income	Page 51	Page 57
Consolidated statement of financial position	Page 52	Page 58
Consolidated statement of cash flow	Page 54	Page 60
Notes	Page 55	Page 61
Audit report	Page 116	Page 133

6.2.1.1 Independent auditor

The Issuer's independent auditor is KPMG, with registration number 935 174 627 and with registered address Sørkedalsveien 6, 0369, Oslo, Norway. The partners of KPMG are members of the Norwegian Institute of Public Accountants (Nw.: *Den norske Revisorforening*). KPMG has been the Issuer's independent auditor since September 2021.

KPMG has audited the Issuer's Financial Statements in [Appendix 11](#), and the Guarantors' Financial Statements in Appendices [12](#), [13](#), [15](#), [16](#), [18](#), and [19](#). Kreston Menon has audited Odfjell Technology Invest Ltd's financial statements, included in [Appendix 17](#). Crowe U.K. LLP has audited Odfjell Technology (UK) Ltd.'s 2023 financial statements, while KPMG LLP has audited the Odfjell Technology (UK) Ltd.'s 2022 financial statements, both included in [Appendix 14](#).

6.3 The Guarantors

6.3.1.1 Odfjell Well Services Norway AS

The separate financial statements for Odfjell Well Services Norway AS as of and for the financial years ended 31 December 2023 and 31 December 2022 is included in [Appendix 12](#).

The table below references pages in the annual financial statements of Odfjell Well Services Norway AS.

	Annual report for the year ended 31 December 2023	Annual report for the year ended 31 December 2022
Statement of income	Page 15	Page 14
Statement of financial position	Page 16-17	Page 15-16
Statement of cash flow	Page 18	Page 17
Notes	Page 19-30	Page 18-29
Audit report	Page 31	Page 30

6.3.1.2 Odfjell Operations AS

The separate financial statements for Odfjell Operations AS as of and for the financial years ended 31 December 2023 and 31 December 2022 is included in [Appendix 13](#).

The table below references pages in the annual financial statements of Odfjell Operations AS.

	Annual report for the year ended 31 December 2023	Annual report for the year ended 31 December 2022
Statement of income	Page 14	Page 14
Statement of financial position	Page 15-16	Page 15-16
Statement of cash flow	Page 17	Page 17
Notes	Page 18-26	Page 18-26
Audit report	Page 27	Page 27

6.3.1.3 Odfjell Technology (UK) Ltd.

The separate financial statements for Odfjell Technology (UK) Ltd. as of and for the financial years ended 31 December 2023 and 31 December 2022 is included in [Appendix 14](#).

The table below references pages in the annual financial statements of Odfjell Technology (UK) Ltd.

	Annual report for the year ended 31 December 2023	Annual report for the year ended 31 December 2022
Statement of income	Page 13	Page 13
Statement of financial position	Page 14	Page 14
Notes	Page 16-26	Page 16-27
Audit report	Page 10-12	Page 10-12

6.3.1.4 Odfjell Engineering AS

The separate financial statements for Odfjell Engineering AS as of and for the financial years ended 31 December 2023 and 31 December 2022 is included in [Appendix 15](#).

The table below references pages in the annual financial statements of Odfjell Engineering AS.

	Annual report for the year ended 31 December 2023	Annual report for the year ended 31 December 2022
Statement of income	Page 15	Page 15
Statement of financial position	Page 16-17	Page 16-17
Statement of cash flow	Page 18	Page 18
Notes	Page 19-31	Page 19-31
Audit report	Page 32	Page 32

6.3.1.5 Odfjell Offshore Ltd

The separate financial statements for Odfjell Offshore Ltd as of and for the financial years ended 31 December 2023 and 31 December 2022 is included in [Appendix 11](#).

The table below references pages in the annual financial statements of Odfjell Offshore Ltd.

	Annual report for the year ended 31 December 2023	Annual report for the year ended 31 December 2022
Statement of income	Page 5	Page 4
Statement of financial position	Page 6-7	Page 5-6
Statement of cash flow	Page 8	Page 7
Notes	Page 9-21	Page 8-21
Audit report	Page 22	Page 22

6.3.1.6 Odfjell Technology Invest Ltd

The separate financial statements for Odfjell Technology Invest Ltd as of and for the financial years ended 31 December 2023 and 31 December 2022 is included in [Appendix 17](#).

The table below references pages in the annual financial statements of Odfjell Technology invest Ltd.

	Annual report for the year ended 31 December 2023	Annual report for the year ended 31 December 2022
Statement of income	Page 6	Page 6
Statement of comprehensive income	Page 6	Page 6
Statement of financial position	Page 5	Page 5
Statement of cash flow	Page 8	Page 8
Notes	Page 9-29	Page 9-30
Audit report	Page 2-4	Page 2-4

6.3.1.7 Odfjell Platform Drilling AS

The separate financial statements for Odfjell Platform Drilling AS as of and for the financial years ended 31 December 2023 and 31 December 2022 is included in [Appendix 18](#).

The table below references pages in the annual financial statements of Odfjell Platform Drilling AS.

	Annual report for the year ended 31 December 2023	Annual report for the year ended 31 December 2022
Statement of income	Page 16	Page 16
Statement of financial position	Page 17-18	Page 17-18
Statement of cash flow	Page 19	Page 19
Notes	Page 20-33	Page 20-33
Audit report	Page 34-35	Page 34-36

6.3.1.8 Odfjell Technology AS

The separate financial statements for Odfjell Technology AS as of and for the financial years ended 31 December 2023 and 31 December 2022 is included in [Appendix 19](#).

The table below references pages in the annual financial statements of Odfjell Technology AS.

	Annual report for the year ended 31 December 2023	Annual report for the year ended 31 December 2022
Statement of income	Page 145	Page 155
Statement of financial position	Page 146-147	Page 156-157
Statement of cash flow	Page 148	Page 158
Notes	Page 149-162	Page 159-172
Audit report	Page 163-164	Page 173-175

6.3.1.9 Independent auditors of the Guarantors

The table below sets out selected information about the independent auditors of the Guarantors for the period covered by the Guarantors' Annual Financial Statements:

Guarantor	Auditor	Address	Membership in professional body
Odfjell Well Services Norway AS	KPMG AS	Sørkedalsveien 6, 0369 Oslo, Norway	The Norwegian Institute of Public Accountants
Odfjell Operations AS	KPMG AS	Sørkedalsveien 6, 0369 Oslo, Norway	The Norwegian Institute of Public Accountants
Odfjell Technology (UK) Ltd	Crowe U.K. LLP	55 Ludgate Hill, EC4M 7JW London, England, United Kingdom	The Institute of Chartered Accountants in England and Wales (ICAEW)
Odfjell Engineering AS	KPMG AS	Sørkedalsveien 6, 0369 Oslo, Norway	The Norwegian Institute of Public Accountants
Odfjell Offshore Ltd	KPMG AS	Sørkedalsveien 6, 0369 Oslo, Norway	The Norwegian Institute of Public Accountants
Odfjell Technology Invest Ltd	Kreston Menon	Level 15, Lake Central, Marasi Drive, Business Bay, P.O. Box 55535 Dubai, UAE	The Forum of Firms
Odfjell Platform Drilling AS	KPMG AS	Sørkedalsveien 6, 0369 Oslo, Norway	The Norwegian Institute of Public Accountants
Odfjell Technology AS	KPMG AS	Sørkedalsveien 6, 0369 Oslo, Norway	The Norwegian Institute of Public Accountants

7 FINANCIAL OVERVIEW AND RECENT DEVELOPMENTS

This Section on financial overview should be read together with the Financial Information and related notes included therein. The Financial Information has been incorporated by reference into this Prospectus. This Section on financial overview should be read together with Section 3 "General information", Section 5 "Business of the Group" and Section 6 "Selected historical financial information and other information".

This Section on financial overview contains forward-looking statements. These forward-looking statements are not historical facts, but are rather based on the Group's current expectations, estimates, assumptions and projections about the Group's industry, business, strategy and future financial results. Actual results could differ materially from the results contemplated by these forward-looking statements because of a number of factors, including those discussed in Section 1 "Risk factors" of this Prospectus, as well as other Sections of this Prospectus.

7.1 No material adverse change

There has been no material adverse change in the prospects of the Issuer or any of the Guarantors since 31 December 2023, being the date of the last published audited financial statements. The demand for the Group's services and products remains stable. The order backlog improved throughout 2024 with a strong order intake and with financial performance in line with 2023.

7.2 Significant changes in the financial position of the Group

There have been no significant changes in the financial position of the Group since 31 December 2023 (being the end of the last financial period for which financial information has been published). The Group strengthened its equity ratio while its leverage ratio and net debt level increased slightly in 2024. The balance sheet remains strong with a low debt level and substantial available liquidity.

7.3 Significant changes in the financial performance of the Group

There have been no significant changes in the financial performance of the Group since 31 December 2023 (being the end of the last financial period for which financial information has been published).

7.4 Recent events relevant to the evaluation of the solvency of the Issuer

There have been no recent events particular to the Group that to a material extent are relevant for the evaluation of the solvency of the Issuer.

7.5 Material changes in the borrowing and funding structures

The Issuer issued a new senior secured bond of NOK 1,100 million with a maturity period of 4 years on September 16, 2024. The bond will bear an interest rate of 3 months NIBOR + 3.50% per annum, with quarterly interest payments. For further details, please refer to Section 4 "The Bonds". Additionally, the revolving credit facility (RCF) was refinanced at a lower interest rate and the credit facility was increased from USD 25 million to USD 50 million.

Other than as described above, there have been no material changes in the borrowing and funding structures of the Group.

8 THE BOARD OF DIRECTORS AND MANAGEMENT

8.1 The Board of Directors of the Issuer

8.1.1 Introduction

The Issuer's board of directors (the "**Board of Directors**") is responsible for the overall management of the Issuer and may exercise all of the powers of the Issuer not reserved to the Issuer's shareholders by the Bye-laws of the Issuer (the "**Bye-Laws**") or Bermuda law. The Bye-Laws provide that the Issuer's Board of Directors shall consist of no less than three members (each a "**Board Member**") or such number in excess thereof as the shareholders may determine. The Bye-Laws provide that a board member shall hold office for a term as determined by the shareholders upon their election at a general meeting, or, in the absence of such determination, until the next annual general meeting or until their successors are elected or appointed or their office is otherwise vacated.

The current Board of Directors consists of four Board Members, as listed in the table in Section 8.1.2 "*Composition of the Board of Directors*" below.

The Board Members are elected by the Issuers' shareholders at the relevant annual general meeting or any special general meeting called for that purpose and the shareholders may authorise the Board of Directors to fill any vacancy in their number left unfilled at a general meeting of the shareholders. If there is a vacancy on the Board of Directors occurring as a result of the death, disability, disqualification or resignation of any board member, such vacancy may be filled by the appointment of a person as a director by Board of Directors or at the next annual general meeting of the Issuer or any special general meeting called for such purpose pursuant to the Bye-Laws.

Pursuant to the Norwegian Code of Practice for Corporate Governance, last updated 14 October 2021 (the "**Corporate Governance Code**"), (i) the majority of the shareholder-elected members of the board of directors should be independent of the company's executive management and material business contacts, (ii) at least two of the shareholder-elected board members should be independent of the company's main shareholders (being shareholders holding more than 10% of the shares in the company), and (iii) no member of the company's management should be on the board of directors.

All Board Members are independent of the executive management and material business contacts. The chair of the Board of Directors, Helene Odfjell, is indirectly the Issuer's largest shareholder via her shareholding in Odfjell Technology Holding Ltd. Odfjell Technology Holding Ltd will continue to be a large shareholder of the Issuer following the Listing, and Helene Odfjell is thus not independent of the Issuer's main shareholders. All other board members are independent of the Issuer's main shareholders (i.e. shareholders holding more than 10% of the shares or votes). The requirements under the Corporate Governance Code described above are thus met as at the date of this Prospectus.

8.1.2 Composition of the Board of Directors

The current Board of Directors consists of four Board Members.

The names and positions of the Board Members as of the date of this Prospectus are set out in the table below. The Issuer's business address at Lower Ground Floor, Prime View, Prime Four Business Park, Kingswells AB15 8PU, Scotland, United Kingdom, serves as business address for the Board Members as regards their directorship in the Issuer.

Name	Position
Helene Odfjell	Chair of the Board
Alasdair Shiach	Director

Harald Thorstein	Director
Victor Vadaneaux	Director

Set out below are brief biographies of the Board Members, as well as indications of each of the Board Member's significant principal activities performed outside the Issuer where relevant for the business of the Group, including the names of companies and partnerships of which a Board Member is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions in subsidiaries of the Issuer).

8.1.3 Brief biographies of the Board of Directors

Helene Odfjell, Chair of the Board

Chair of the Board of Directors, Helene Odfjell, holds a Bachelor of Business Administration from the Norwegian School of Economics (NHH), a Master of Business Administration in Finance and Strategy from London Business School and is a Chartered Financial Analyst. Ms. Odfjell has years of experience in business and management and holds board positions in subsidiaries of the Issuer. She is also on the board of Odfjell Drilling Ltd and some of its subsidiaries.

Current directorships and management positions:

Odfjell Technology Ltd (Chair), Odfjell Well Services II Ltd (director), Odfjell Technology Invest Ltd (director), Odfjell Drilling Ltd (board member), Odfjell Invest Ltd (director), Odfjell Rig III Ltd (director), Odfjell Rig Owning Ltd (director), Odfjell Drilling Services Ltd (director), Odfjell Drilling South Africa Ltd (director), Deep Sea Rig (UK) Ltd (director), Odfjell Technology Holding Ltd (director), Odfjell Partners Holding Ltd (director), GRØNCO AS (director), and Abraham Odfjell Foundation (board member).

Previous directorships and management positions last five years:

Deep Sea Atlantic (UK) Ltd (director), Deep Sea Stavanger (UK) Ltd (director), Odfjell Drilling Shetland Ltd (director), Odfjell Rig V Ltd (director), Odfjell Rig II Ltd (director), Odfjell Drilling Technology Ltd (director).

Alasdair Shiach, Board Member

Alasdair Shiach has a Bachelor's degree in Business Studies from Robert Gordon's University in Aberdeen, Scotland. He has 40 years of international experience in the Oilfield Service sector and has held senior executive leadership positions as well as assignments in the USA, UAE, Saudi Arabia and Norway. Mr Shiach is also on the board of Welltec International and certain subsidiaries in the Odfjell Technology group.

Current directorships and management positions:

Odfjell Technology Ltd (board member), Odfjell Technology Invest Ltd (board member), Odfjell Well Services II Ltd (board member), and Welltec International ApS (board member).

Previous directorships and management positions last five years:

Odfjell Drilling Ltd (board member), Odfjell Rig II Ltd (director), Odfjell Rig Owning Ltd (director), Odfjell Drilling Shetland Ltd (director), Odfjell Rig V Ltd (director), Deep Sea Stavanger (UK) Ltd (director), Deep Sea Atlantic (UK) Ltd (director), Odfjell Invest Ltd (director), Odfjell Rig III Ltd (director), and Odfjell Drilling Services Ltd (director).

Harald Thorstein, Board Member

Harald Thorstein is a partner of the London-based advisory firm Arkwright London Partners LLP. Mr Thorstein brings with him prior experience from being a board member in various finance and investment companies. Harald Thorstein studied at the Norwegian University of Technology and Science (NTNU) where he received a Master of Science Industrial Economics and Technology Management.

Current directorships and management positions: Arkwright London Partners LLP (partner), Jacktel AS (Chairman of the board), B2 Impact ASA (Chairman of the board), DOF Group ASA (director), Yara ASA (director), and Odfjell Drilling Ltd (director)

Previous directorships and management positions last five years:.... Altus Intervention (director), Solstad Offshore (director), and Aquaship (director).

Victor Vadaneaux, Board Member

Victor Vadaneaux holds a Master of Business Administration from Harvard Business School, a Master of Science from Telecom Paris and an engineering degree from École Polytechnique. He is a Senior Advisor in private equity and works independently with various private equity firms to assess investment opportunities and realise the value creation potential in their portfolio companies. He has extensive experience in leading management teams in manufacturing and distribution businesses and has held a variety of management positions in various companies. He is a member of Chapter Zero, the Non-Executive Directors Climate Forum and actively pursues low-carbon initiatives in his activities as executive and non-executive roles, including projects to reduce Scope 3 emissions for companies.

Current directorships and management positions: Centerra Management UK LLP – UK (member) and Centerra Management Srl – Romania (board member) (dormant), Alizé Capital SAS (France, membre du Conseil de Surveillance).

Previous directorships and management positions last five years:.... Via Location SAS – France (Chairman of the Supervisory Board), Time Out Market Ltd – UK (Executive Board member), North Thin Ply Technology LLC – USA (board member), National Timber Group Topco Ltd – UK (board member), Millbrook Healthcare Holdings Ltd – UK (board member), Altevax SAS – France (CEO and board member) and Centerra Capital Partners Limited – Guernsey (board member), Astra Topco Limited (UK, board member).

8.2 Management of the Issuer

8.2.1 Overview

The Issuer's senior management team (the "**Management**") currently consists of eight individuals.

The names of the members of the Management and their respective positions are presented in the table below. The Issuer's business address at Lower Ground Floor, Prime View, Prime Four Business Park, Kingswells AB15 8PU, Scotland, United Kingdom, serves as business address for the members of the Management in relation to their positions within the Issuer.

Name	Position
Simen Lieungh	CEO
Jone Torstensen	CFO
Diane Stephen	General Manager
Elisabeth Cecilie Haram	Executive Vice President Well Services
Kurt Meinert Fjell	Executive Vice President Operations
Anne Siri Sævareid	Executive Vice President Projects & Engineering
Kurt Werner Holsæter	Senior Vice President, Human Resources
Randi Øverland	Senior Vice President, Global Business Services

Set out below are the brief biographies of each member of the Management, as well as indications of each member's significant principal activities performed outside the Issuer where relevant for the business of the Group, including the names of companies and partnerships of which a member of the Management is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions in subsidiaries of the Issuer).

8.2.2 *Brief biographies of the members of the Issuer's Management*

Simen Lieungh, CEO

Simen Lieungh was appointed as President and Group Chief Executive Officer of Odfjell Technology AS in 2021. Mr. Lieungh has an MSc in Mechanical Engineering from the University of Trondheim. With over 30 years' experience in the global oil and gas industry, he has held various management positions and was previously CEO of Aker Solutions. He is on the board of the Norwegian Shipowners' Association, and is Chairman of Odfjell Oceanwind AS, as well as CEO of Odfjell Technology AS. Mr Lieungh has been with the Odfjell Drilling group since 2010, previously in the role of CEO of Odfjell Drilling AS until he resigned from that role and was appointed chair of the Board in Odfjell Drilling Ltd. Mr Lieungh also holds board positions in subsidiaries of the Group.

Current directorships and management positions:

Odfjell Engineering AS (chair), Odfjell Well Services Norway AS (chair), Odfjell Operations AS (chair), Odfjell Platform Drilling AS (chair), Odfjell Well Services AS (chair), Odfjell Technology AS (chair), Odfjell Energy Crewing AS (chair), Odfjell Technology (UK) Ltd (director), Odfjell Well Services (UK) Ltd (director), Odfjell Drilling Deep Sea Management DMCC (director), Odfjell Technology Philippines Corp. (director), Odfjell Well Services SRL (director), Odfjell Well Services (Namibia) (Pty) Ltd (director), Odfjell Well Services US Holding, LLC (director), Odfjell Well Services US, LLC (director), Odfjell Oceanwind AS (chair), Odfjell Drilling Ltd (chair), Norwegian Shipowners' Association (director), and The Multiconsult Foundation (director).

Previous directorships and management positions last five years:....

Deep Sea Drilling Company AS (director), Odfjell Drilling AS (director), Deep Sea Management AS (director), Odfjell Invest AS (director), Odfjell Invest Ltd (director), Odfjell Offshore Ltd (director), Odfjell Invest II AS (director), Deep Sea Drilling Company I AS (director), Odfjell Rig II Ltd (director), Odfjell Rig Owning Ltd (director), Deep Sea Atlantic (UK) Ltd (director), Deep Sea Stavanger (UK) Ltd (director), Odfjell Drilling Shetland Ltd (director), Odfjell Rig V Ltd (director), Odfjell Drilling South Africa Ltd (director), Odfjell Drilling Brasil BV (director), Odfjell Drilling Netherlands BV (director), Odfjell Invest Holland BV (director), Odfjell Drilling Cooperatief UA (director), Odfjell Drilling Services Ltd (director), Multiconsult ASA (director), Odfjell Rig II Ltd (director), Odfjell Drilling Technology Ltd (director), and Deep Sea Management International AS (director).

Jone Torstensen, CFO

Jone Torstensen was appointed as Group Chief Financial Officer of Odfjell Technology in March 2022 and holds the position as Group Chief Financial Officer. Prior to this, he held the position as Executive Vice President and Chief of Staff of the Odfjell Drilling group before being appointed as Group Chief Financial Officer from July 2021 to March 2022. Mr. Torstensen holds degrees in Finance from the University of Stavanger and Petroleum Economy from the University of Bergen, and has held various management positions in finance, project management and

business development over his 18 years at Aker Kværner and Aker Solutions before he joined the Odfjell Drilling group in 2012.

Current directorships and management positions: Odfjell Technology Philippines Corp. (director).

Previous directorships and management positions last five years:.... Odfjell Technology AS (CFO, director), Odfjell Platform Drilling AS (director), Odfjell Operations AS (director), Odfjell Offshore Ltd (director), Odfjell Well Services Norway AS (director), Odfjell Well Services AS (director), Odfjell Engineering AS (director), Odfjell Energy Crewing AS (director), Deep Sea Drilling Company I AS (director), Odfjell Drilling AS (director), Deep Sea Management AS (director), Odfjell Operations AS (director), Odfjell Invest AS (director), Odfjell Invest II AS (director), Odfjell Drilling Brasil BV (director), Odfjell Drilling Netherlands BV (director), and Odfjell Drilling Netherlands BV (director).

Diane Stephen, General Manager

Diane Stephen was appointed as General Manager of Odfjell Technology in March 2022 and holds the position as General Manager of the Issuer. Prior to this, she held the position of Vice President Global Business Services and Administration UK of Odfjell Technology (UK) Ltd. Mrs. Stephen has 25 years of experience in the oil and gas industry and has worked for in a variety of finance and management roles, including an international secondment. Mrs. Stephen holds a master's degree in Accountancy from University of Aberdeen and is a Chartered Accountant.

Current directorships and management positions: Odfjell Technology Ltd (general manager), Odfjell Technology (UK) Ltd (director), Odfjell Drilling Ltd (general manager), Odfjell Drilling Services Ltd (director), Odfjell Rig Owning Ltd. (director), Deep Sea Rig (UK) Ltd (director), Odfjell Drilling South Africa Ltd (director), Odfjell Well Services II Ltd (director), Odfjell Technology Invest Ltd (director), and Odfjell Well Services Ltd (director).

Previous directorships and management positions last five years:.... Odfjell Drilling Shetland Ltd (director), Deep Sea Stavanger (UK) Ltd (director), Deep Sea Atlantic (UK) Ltd (director), Odfjell Rig V Ltd (director), Odfjell Rig III Ltd (director), and Odfjell Invest Ltd (director).

Elisabeth Cecilie Haram, Executive Vice President Well Services

Elisabeth Cecilie Haram was appointed Executive Vice President of Platform Drilling AS in 2019 and Executive Vice President of Odfjell Energy in 2020. She currently holds the position of Executive Vice President of the company's Well Services segment. Ms. Haram joined the Odfjell Drilling group in 2004 and has held various management positions within the group, including Executive Vice President of the Operations and Projects & Engineering business areas, Rig Manager, Operations Manager of Platform Drilling, and Vice President of Well Services. She holds a Master of Science degree in Industrial Economics from the University of Stavanger and a bachelor's degree in Petroleum Technology.

Current directorships and management positions: EVP Well Services, Odfjell Well Services (UK) Ltd (director), McGarian TDC Limited (director), Odfjell Well Services (Namibia) (Pty) Ltd (director), Odfjell Well Services US Holding, LLC (director), Odfjell Well Services US, LLC (director), Reelwell AS (director) and Entech Solutions AS (board member).

Previous directorships and management positions last five years:....

Odfjell Offshore Ltd (director), EVP Odfjell Energy, EVP Odfjell Platform Drilling.

Kurt Meinert Fjell, Executive Vice President Operations

Mr. Fjell was appointed Executive Vice President of the company's operations segment in 2022 following 20 years of experience in the Odfjell Drilling group, serving several Senior and Executive Management positions. Mr. Fjell holds a bachelor's in Mechanical Engineering from Western Norway University of Applied Sciences and a Project Management Professional from Oslo and Akershus University College. He has broad experience from Operational and Technical business areas, in addition to his project management and strategy background. Through his years in the Odfjell group, he has specialised in Transition Management, Consolidation Projects and right-sizing.

Current directorships and management positions:

EVP Operations.

Previous directorships and management positions last five years:....

Odfjell Offshore Ltd (director), SVP I&D, EVP Engineering.

Anne Siri Sævareid, Executive Vice President Projects & Engineering

Ms. Sævareid has 25 years of experience in the oil and gas industry, both from oil operators and supplier companies. In 2022, she was appointed as Executive Vice President of Projects & Engineering in Odfjell Technology, following 13 years at Seadrill where she held various management positions within the fields of Operation, QHSE, Projects, and Contract Management. She holds a Master of Science from the Norwegian University of Science and Technology in Trondheim.

Current directorships and management positions:

EVP Projects & Engineering, Odfjell Engineering AS (director), Odfjell Well Services Norway AS (director), Odfjell Operations AS (director), Odfjell Platform Drilling AS (director), Odfjell Well Services AS (director), Odfjell Technology AS (director), Odfjell Energy Crewing AS (director), Odfjell Offshore Ltd (director), Frugardia AS and Energiri AS (director).

Previous directorships and management positions last five years:....

Seadrill Norway Crew AS (director), Odfjell Oceanwind AS (director), Head of Business Support Seadrill Harsh Environment.

Kurt Werner Holsæter, Senior Vice President, Human Resources

Kurt Werner Holsæter was appointed as Senior Vice President of HR of Odfjell Drilling AS in November 2018 and now holds the position as Senior Vice President of HR of the Issuer. Prior to this, Mr. Holsæter was part of the management team of National Oilwell Varco where he had strategic and operational responsibility for HR in Norway, Denmark and Poland. In addition, Mr. Holsæter is an officer and served 15 years in the Norwegian Army.

Current directorships and management positions:

SVP HR, Odfjell Engineering AS (director), Odfjell Well Services Norway AS (director), Odfjell Operations AS (director), Odfjell Platform Drilling AS (director), Odfjell Well Services AS (director), Odfjell Technology AS (director), Odfjell Energy Crewing AS (director), and Odfjell Offshore Ltd (director).

Previous directorships and management positions last five years:....

SVP HR Odfjell Drilling AS, Odfjell Drilling AS (director) and Deep Sea Management AS (director).

Randi Øverland, Senior Vice President, Global Business Services

Randi Øverland was appointed Head of Global Business Services of Odfjell Drilling in September 2021 and holds the position as Head of Global Business Services of the Issuer. Mrs. Øverland has been part of the Odfjell Drilling group since 2014 and has held various management positions within the Odfjell Drilling group. Prior to this, Mrs. Øverland started her career at Statoil ASA (currently known as Equinor) between the years 1985 – 2000 holding a variety of positions in the Finance function, and also worked as a Finance Manager for Rieber & Søn ASA (later Orkla ASA), Tilbords AS and OVDS Hotels AS. Mrs. Øverland holds a bachelor's degree in Finance and Administration from the Norwegian School of Economics (NHH), in addition to basic courses in Management and Industrial Psychology from the University of Bergen.

Current directorships and management positions:

SVP Global Business Services, Odfjell Engineering AS (director), Odfjell Well Services Norway AS (director), Odfjell Operations AS (director), Odfjell Platform Drilling AS (director), Odfjell Well Services AS (director), Odfjell Technology AS (director), Odfjell Energy Crewing AS (director), and Odfjell Offshore Ltd (director).

Previous directorships and management positions last five years:....

VP Finance GBS.

8.3 The Board of directors and management of the Guarantors

8.3.1 Odfjell Well Services Norway AS

8.3.1.1 The board of directors and management of Odfjell Well Services Norway AS

The names and positions of the members of the board of directors and management of Odfjell Well Services AS are set out in the table below:

Name	Position
Simen Lieungh	Chair of the board
Harald Asle Hereid	Board member
Frederik Glenjen	Board member
Kurt Werner Holsæter	Board member
Randi Øverland	Board member
Anne Siri Sævareid	Board member
Hilde Grønlien	Board member
Elisabeth Cecilie Haram	General manager

The Guarantor's registered business address at Hammaren 19, 4056 Tananger, Norway serves as the business address for the members of the board of directors and management in relation to their directorships and positions in the Guarantor.

The indications of the significant principal activities performed outside the Guarantor by Simen Lieungh, Kurt Werner Holsæter, Randi Øverland, Anne Siri Sævareid, and Elisabeth Cecilie Haram, where such activities are relevant for the business of the Group, may be found in Section 8.2.2 above.

An overview of principal activities performed outside of the Guarantor by the remaining members of the board of directors is set out below:

Harald Asle Hereid

Harald Asle Hereid is an employee-elected board member of the Guarantor. He was appointed as leader for the

local union of the Group and the Odfjell Drilling group (Styrke) in June 2018. Since March 2002 he has held several offshore and onshore positions in the Odfjell Drilling group.

Principal activities performed outside the Guarantor: *Chairman of Industri Energi Odfjell (Styrke), board member of: Odfjell Engineering AS, Odfjell Well Services AS, Odfjell Technology AS, Odfjell Operations AS, Odfjell Platform Drilling AS, Odfjell Energy Crewing AS, Forbundet Styrke.*

Frederik Glenjen

Frederik Glenjen is an employee-elected board member of the Guarantor. He was elected Coordinating Senior Safety Delegate in the Odfjell Drilling group in 2007. He has held several offshore roles since he started working in the Odfjell Drilling group in 1998.

Principal activities performed outside the Guarantor: *Odfjell Engineering AS, Odfjell Well Services AS, Odfjell Technology AS, Odfjell Operations AS, Odfjell Platform Drilling AS, Odfjell Energy Crewing AS.*

Hilde Grønlien

Hilde Grønlien is an employee-elected board member of the Guarantor. She was appointed Vice President of the Group's rig inspection services in March 2025, following 5 years in the role of Vice President of Operations. Prior to this, Ms. Grønlien has served in various on- and offshore roles in Odfjell Drilling since starting in 2006. Ms. Grønlien holds a Bachelor of Mechanical Engineering.

Principal activities performed outside the Guarantor: *Board member in Odfjell Engineering AS, Odfjell Well Services AS, Odfjell Well Services Norway AS, Odfjell Technology AS, Odfjell Operations AS, Odfjell Platform Drilling AS, Odfjell Energy Crewing AS*

8.3.2 Odfjell Operations AS

8.3.2.1 The board of directors and management of Odfjell Operations AS

The names and positions of the members of the board of directors and management of Odfjell Operations AS are set out in the table below:

Name	Position
Simen Lieungh	Chair of the board
Harald Asle Hereid	Board member
Frederik Glenjen	Board member
Kurt Werner Holsæter	Board member
Randi Øverland	Board member
Anne Siri Sævareid	Board member
Hilde Grønlien	Board member
Kurt Meinert Fjell	General manager

The Guarantor's registered business address at Kokstadflaten 35, 5257 Kokstad, Bergen serves as the business address for the members of the board of directors and management in relation to their directorships and positions in the Guarantor.

For an overview of principal activities performed outside of the Guarantor by the members of the board of directors and management of the Guarantor, see Sections 8.2.2 and 8.3.1.1 above.

8.3.3 Odfjell Technology (UK) Ltd.

8.3.3.1 The board of directors and management of Odfjell Technology (UK) Ltd.

The names and positions of the members of the board of directors and management of Odfjell Technology (UK) Ltd. are set out in the table below:

Name	Position
Simen Lieungh	Board member
Diane Elizabeth Macdonald Stephen	Board member and Global Business Services Representative UK
Stuart Sutherland	Board member and Country manager
John Moffat	VP Operations UK
Clair Mackie	QHSSE Manager UK

The Guarantor's registered business address at Lower Ground Floor, Prime View, Prime Four Business Park, Kingswells, AB15 8PU, Aberdeen, Scotland, serves as the business address for the members of the board of directors and general management in relation to their directorships and positions in the Guarantor.

Odfjell Technology (UK) Ltd. is managed by the board of directors. In addition, it has a UK leadership team which comprises Diane Elizabeth Macdonald Stephen, Stuart Sutherland, John Moffat and Clair Mackie.

For an overview of principal activities performed outside of the Guarantor by Simen Lieungh and Diane Elizabeth Macdonald Stephen, see Sections 8.2.2 above.

An overview of principal activities performed outside of the Guarantor by the remaining members of the board of directors and management is set out below:

Stuart Sutherland

Stuart Sutherland is Country manager and a board member of the Guarantor. Stuart Sutherland joined Odfjell Drilling as rig manager in 2020 and was appointed as Country manager of Odfjell Technology (UK) Ltd in 2022. Mr. Sutherland has 28 years operational experience within the offshore drilling industry, including 13 years in leadership positions.

Principal activities performed outside the Guarantor: Odfjell Well Services (UK) Ltd (board member), McGarian TDC Limited (board member)

Clair Mackie

Clair Mackie is a management team member of the Guarantor. She joined Odfjell Drilling as a QHSE Advisor in 2019 and was appointed UK QHSE Manager of Odfjell Technology (UK) Ltd in 2024. Claire Mackie has 11 years of experience within the offshore drilling industry. She performs no professional activities outside of the Guarantor.

John Moffat

John Moffat is a management team member of the Guarantor. He joined Odfjell Technology (UK) Ltd in August 2023 as Vice President of Operations UK. He has 20 years of experience in the offshore oil and gas industry, including leadership positions. He performs no professional activities outside of the Guarantor.

8.3.4 Odfjell Engineering AS

8.3.4.1 The board of directors and management of Odfjell Engineering AS

The names and positions of the members of the board of directors and management of Odfjell Engineering AS are set out in the table below:

Name	Position
Simen Lieungh	Chair of the board
Harald Asle Hereid	Board member
Frederik Glenjen	Board member
Kurt Werner Holsæter	Board member
Randi Øverland	Board member
Anne Siri Sævareid	Board member
Hilde Grønlien	Board member
Anne Siri Sævareid	General manager

The Guarantor's registered business address at Kokstadflaten 35, 5257 Kokstad, Bergen serves as the business address for the members of the board of directors and management in relation to their directorships and positions in the Guarantor.

For an overview of principal activities performed outside of the Guarantor by the members of the board of directors and management of the Guarantor, see Sections 8.2.2 and 8.3.1.1 above.

8.3.5 Odfjell Offshore Ltd

8.3.5.1 The board of directors and management of Odfjell Offshore Ltd

The names and positions of the members of the board of directors and management of Odfjell Offshore Ltd are set out in the table below:

Name	Position
Simen Lieungh	Chair of the board
Kurt Werner Holsæter	Board member
Anne Siri Sævareid	Board member
Randi Øverland	Board member
Kurt Meinert Fjell	General manager

The Guarantor's registered business address at Kokstadflaten 35, 5257 Kokstad, Bergen serves as the business address for the members of the board of directors and management in relation to their directorships and positions in the Guarantor.

For an overview of principal activities performed outside of the Guarantor by the members of the board of directors and management of the Guarantor, see Section 8.2.2 above.

8.3.6 Odfjell Technology Invest Ltd

8.3.6.1 The board of directors and management of Odfjell Technology Invest Ltd

The names and positions of the members of the board of directors and management of Odfjell Technology Invest Ltd are set out in the table below:

Name	Position
Helene Odfjell	Board member
Alasdair Geddes Shiach	Board member
Diane Elizabeth Macdonald Stephen	Board member and General Manager

The Guarantor's registered business address at Kokstadflaten 35, 5257 Kokstad, Bergen serves as the business address for the members of the board of directors and management in relation to their directorships and positions in the Guarantor.

For an overview of principal activities performed outside of the Guarantor by the members of the board of directors and management of the Guarantor, see Sections 8.2.2 and 8.1.3 above.

8.3.7 Odfjell Platform Drilling AS

8.3.7.1 The board of directors and management of Odfjell Platform Drilling AS

The names and positions of the members of the board of directors and management of Odfjell Platform Drilling AS are set out in the table below:

Name	Position
Simen Lieungh	Chair of the board
Harald Asle Hereid	Board member
Frederik Glenjen	Board member
Kurt Werner Holsæter	Board member
Randi Øverland	Board member
Anne Siri Sævareid	Board member
Hilde Grønlien	Board member
Kurt Meinert Fjell	General manager

The Guarantor's registered business address at Kokstadflaten 35, 5257 Kokstad, Bergen serves as the business address for the members of the board of directors and management in relation to their directorships and positions in the Guarantor.

For an overview of principal activities performed outside of the Guarantor by the members of the board of directors and management of the Guarantor, see Section 8.2.2 above.

8.3.8 Odfjell Technology AS

8.3.8.1 The board of directors and management of Odfjell Technology AS

The names and positions of the members of the board of directors and management of Odfjell Technology AS are set out in the table below:

Name	Position
Simen Lieungh	Chair of the board and General manager
Harald Asle Hereid	Board member
Frederik Glenjen	Board member
Kurt Werner Holsæter	Board member
Randi Øverland	Board member
Anne Siri Sævareid	Board member
Hilde Grønlien	Board member

The Guarantor's registered business address at Kokstadflaten 35, 5257 Kokstad, Bergen serves as the business address for the members of the board of directors and management in relation to their directorships and positions in the Guarantor.

For an overview of principal activities performed outside of the Guarantor by the members of the board of directors and management of the Guarantor, see Section 8.2.2 above.

8.4 Conflicts of interests etc.

The business premises in Bergen are owned by Kokstad Næringspark AS, which in turn is owned by Kokstadflaten Eiendomsinvest AS, in which Odfjell Land AS holds 33.5% of shares. Odfjell Land AS is an associated party to the

chair of the Board of Directors of the Issuer, Helene Odfjell. Odfjell Drilling AS is the tenant for the property. Odfjell Technology AS acts as facilitator of the business premises under a global business services agreement between Odfjell Drilling AS and Odfjell Technology AS, and costs and benefits under the lease agreement is shared between the Group and the Odfjell Drilling group for the use of the business premises.

Other than this, there are no actual or potential conflicts of interest between the private interests or other duties of any of the members of the respective board of directors and management of the Issuer and of each Guarantor, and their respective duties towards the Issuer or the Guarantors.

9 CORPORATE INFORMATION

The following is a summary of certain corporate information and material information relating to the Issuer, including summaries of certain provisions of the Memorandum of Association, Bye-Laws and applicable Norwegian and Bermuda law in effect as of the date of this Prospectus, including the Bermuda Companies Act. The summary does not purport to be complete and is qualified in its entirety by the Memorandum of Association, Bye-Laws, and applicable law.

9.1 Company corporate information relating to the Issuer

The Issuer's registered and commercial name is "Odfjell Technology Ltd", while its commercial name is "Odfjell Technology". The Issuer is an exempted company limited by shares validly incorporated on 14 December 2021 and existing under the laws of Bermuda and in accordance with the Bermuda Companies Act. The Issuer is registered with the Bermuda Registrar of Companies under registration number 202100770 and its LEI code is 529900ZYHGCPTAD1R169.

The Issuer's registered business address is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Group's principal place of business is Lower Ground Floor, Prime View, Prime Four Business Park, Kingswells AB15 8PU, Scotland, United Kingdom. The telephone number to the Issuer's principal offices is +44 1224 856 000 and the website is <https://www.odfjelltechnology.com/>. The content of the Issuer's website is not incorporated by reference into this Prospectus, nor does it in any other manner constitute a part of this Prospectus.

The Bonds are registered in book-entry form with the CSD under ISIN NO0013326090. Nordic Trustee Services AS, with registered address Kronprinsesse Märthas plass 1, N-0116 Vik, Norway, is responsible for keeping the records.

In accordance with common practice for Bermuda incorporated companies, the objects of the Issuer, as set out in its Memorandum of Association, are unrestricted. The Bye-Laws do not constrain or limit the Issuer's objects as set out in the Memorandum of Association.

9.2 Legal structure

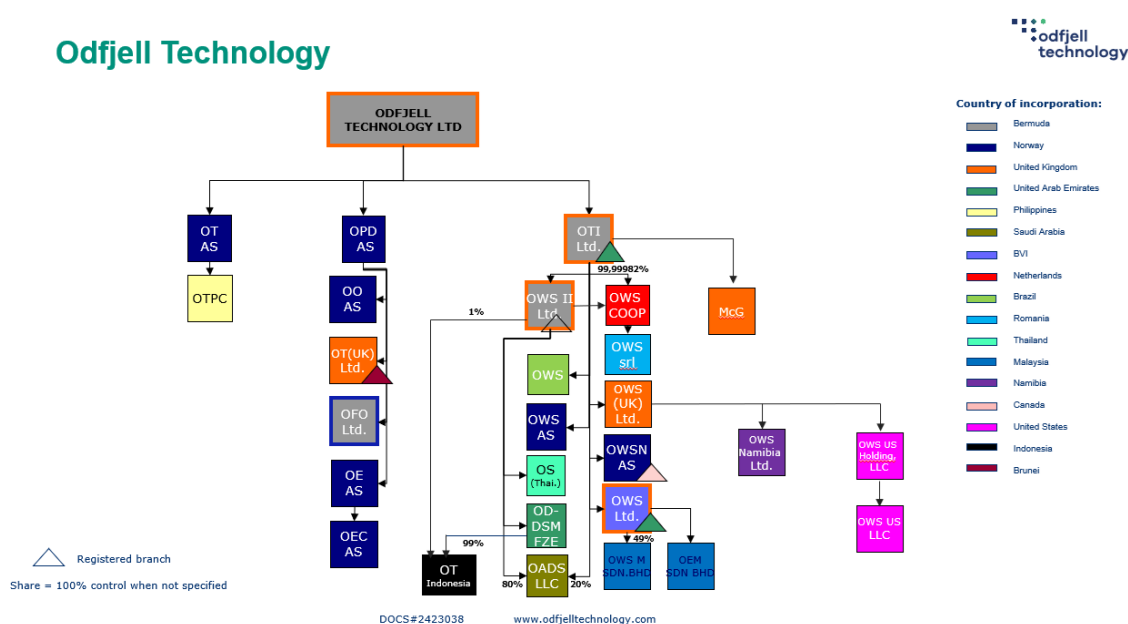
The Issuer functions as the holding company of the Group. The Group's operations are carried out through the Issuer's operating subsidiaries, and the main portion of the Group's cash balance is held at subsidiary level to cover the daily liquidity requirements of the operating subsidiaries. As such, and as described in Section 1 "Risk Factors" above, the Issuer is dependent on the upstreaming of cash and dividends from its subsidiaries in order to service its debt and operational expenditures.

The table below sets out brief information about the Issuer's direct and indirect subsidiaries, including country of incorporation.

Company	Country of incorporation	Holding (%)
Odfjell Technology AS	Norway	100%
Odfjell Technology Philippines Corporation	Philippines	100%
Odfjell Platform Drilling AS	Norway	100%
Odfjell Operations AS	Norway	100%
Odfjell Technology (UK) Ltd.	United Kingdom	100%
Odfjell Offshore Ltd.	Bermuda	100%

Company	Country of incorporation	Holding (%)
Odfjell Engineering AS	Norway	100%
Odfjell Energy Crewing AS	Norway	100%
Odfjell Technology Invest Ltd.	Bermuda	100%
McGarian TDC Limited	Scotland, United Kingdom	100%
Odfjell Well Services II Ltd.	Bermuda	100%
Odfjell Services (Thailand) FLC	Thailand	100%
Odfjell Drilling – Deep Sea Management FZE	United Arab Emirates	100%
Odfjell Arabia Drilling Services Co	Saudi Arabia	100%
Odfjell Well Services Cooperatief UA	Netherlands	99.99982%
Odfjell Well Services srl	Romania	100%
Odfjell Well Services Ltda.	Brazil	100%
Odfjell Well Services AS	Norway	100%
Odfjell Well Services (UK) Ltd.	Scotland, United Kingdom	100%
Odfjell Well Services (Namibia) (Pty) Ltd.	Namibia	100%
Odfjell Well Services US Holding, LLC	United States	100%
Odfjell Well Services US, LLC	United States	100%
Odfjell Well Services Norway AS	Norway	100%
Odfjell Well Services Ltd.	British Virgin Islands	100%
Odfjell Well Services (Malaysia) Sdn. Bhd.	Malaysia	49%
Odfjell Energy (Malaysia) Sdn. Bhd.	Malaysia	100%
PT Odfjell Technology Indonesia	Indonesia	100%

An overview of the Group structure is set out below.



9.3 Authorised and issued share capital

As at the date of the Prospectus, the Issuer's authorised share capital is USD 450,000.00, consisting of 45,000,000 shares, each with a par value of USD 0.01, of which 39,463,867 shares are validly issued and fully paid up. The Board of Directors may issue any authorised but unissued shares of the Issuer subject to any resolution of the Issuer's shareholders to the contrary.

The Issuer has one class of shares. All of the shares rank in parity with one another and carry one vote per share. The Issuer's issued shares are listed on the Oslo Stock Exchange under ticker code "OTL" and registered in the CSD under ISIN BMG6716L1081.

9.4 Major shareholders

As of the date of this Prospectus, the Issuer's five largest shareholders are as set out below:

Shareholder	No. of shares	Percentage
Odfjell Technology Holding Ltd	23,825,396	60.37%
SPACE AS	1,077,894	2.73%
BNP Paribas	1,009,851	2.56%
Avanza Bank AB	593,210	1.50%
NORDNET LIVSFORSIKRING AS	516,478	1.31%

To the extent known to the Issuer, there are no persons or entities, other than Odfjell Technology Holding Ltd and Helene Odfjell that, directly or indirectly, jointly or severally, exercise or could exercise control over the Issuer. The Issuer is not aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Issuer.

The Issuer's Bye-Laws contain provisions which regulate the powers of the Board, related party transactions and more. In addition, the Issuer has adopted a corporate governance regime, with the aim of regulating the division of roles between shareholders, the board of directors and executive management in a more comprehensive manner than is required by applicable legislation. For instance, Board Members and employees of the Issuer must notify the Board if they have a significant direct or indirect interest in a transaction carried out by the Issuer. Directors are reminded to declare any such interests at the start of every Board meeting and employees are required to report potential conflicts via an internal portal which is monitored and escalated to the Board if appropriate.

Furthermore, the Issuer is subject to the legal framework applicable to companies listed on the Oslo Stock Exchange, including the Corporate Governance Code issued by the Norwegian Corporate Governance Board, and therefore subject to the requirements relating to equal treatment of shareholders. Each Board Member carry equal voting rights and no extra weighing is given to the chair of the Board of Directors. Other than the above, the Group does not have any other measures in place to ensure that control over the Issuer is not abused.

The Bye-Laws do not contain any provisions that would have the effect of delaying, deferring or preventing a change of control of the Issuer, other than the provision where the Board of Directors may decline to register the transfer of shares if the transfer would likely result in 50% or more of the shares or votes in the Issuer being held or owned directly or indirectly by individuals or legal persons resident for tax purposes in Norway or effectively connected to a Norwegian business activity, or if the Issuer is otherwise deemed a CFC. The shares have not been subject to any public takeover bids during the current or last financial year.

9.5 Selected corporate information relating to the Guarantors

9.5.1.1 Odfjell Well Services Norway AS

The Guarantor's registered name is Odfjell Well Services Norway AS, while its commercial name is "Odfjell Well Services Norway". The Guarantor is a private limited liability company validly incorporated on 11 October 2001 and existing under the laws of Norway. The Guarantor is registered with Norwegian Register of Business Enterprises under registration number 983 793 347.

The Guarantor's corporate seat is in Norway, and its registered business address is Hammaren 19, 4056 Tananger, Sola. The telephone number to the Guarantor's principal offices is +47 516 48 400 and its website is www.odfjelltechnology.com. The information presented on the Guarantor's website does not form part of the Prospectus.

9.5.1.2 Odfjell Operations AS

The Guarantor's registered name is Odfjell Well Operations AS, while its commercial name is "Odfjell Well Operations". The Guarantor is a private limited liability company validly incorporated on 30 December 1991 and existing under the laws of Norway. The Guarantor is registered with Norwegian Register of Business Enterprises under registration number 963 228 252.

The Guarantor's corporate seat is in Norway, and its registered business address is Kokstadflaten 35, 5257 Kokstad, Bergen. The telephone number to the Guarantor's principal offices is +47 559 98 900 and its website is www.odfjelltechnology.com. The information presented on the Guarantor's website does not form part of the Prospectus. The Guarantor's LEI code is 529900HIZACUF4SKF577.

9.5.1.3 Odfjell Technology (UK) Ltd

The Guarantor's registered name is Odfjell technology (UK) Ltd, while its commercial name is "Odfjell Technology (UK)". The Guarantor is a private limited liability company validly incorporated on 24 May 2002 and existing under the laws of Scotland. The Guarantor is registered with Companies House under registration number SC232018.

The Guarantor's corporate seat is in Scotland, and its registered business address is Lower Ground Floor, Prime View, Prime Four Business Park, Kingswells, AB15 8PU, Aberdeen, Scotland. The telephone number to the Guarantor's principal offices is +44 1224 856 000 and its website is www.odfjelltechnology.com. The information presented on the Guarantor's website does not form part of the Prospectus. The Guarantor's LEI code is 529900QTZ9455IT7I812.

9.5.1.4 Odfjell Engineering AS

The Guarantor's registered name is Odfjell Engineering AS, while its commercial name is "Odfjell Engineering". The Guarantor is a private limited liability company validly incorporated on 16 July 2007 and existing under the laws of Norway. The Guarantor is registered with Norwegian Register of Business Enterprises under registration number 991 491 252.

The Guarantor's corporate seat is in Norway, and its registered business address is Kokstadflaten 35, 5257 Kokstad, Bergen. The telephone number to the Guarantor's principal offices is +47 474 54 658 and its website is www.odfjelltechnology.com. The information presented on the Guarantor's website does not form part of the Prospectus. The Guarantor's LEI code is 529900OYC9O3DH1Z9J04.

9.5.1.5 Odfjell Offshore Ltd

The Guarantor's registered name is Odfjell Offshore Ltd, while its commercial name is "Odfjell Offshore". The Guarantor is tax resident in Norway via its Norwegian-registered foreign business (NUF), validly incorporated on 8 March 2016 with Norwegian Register of Business Enterprises under registration number 916 689 799.

The Guarantor's corporate seat for its Norwegian branch is in Bergen, Norway, and its registered business address is Kokstadflaten 35, 5257 Kokstad, Bergen. The telephone number to the Guarantor's principal offices is +47 559 98 900 and its website is www.odfjelltechnology.com. The information presented on the Guarantor's website does not form part of the Prospectus. The Guarantor's LEI code is 529900F352EUHM26N493.

9.5.1.6 Odfjell Technology Invest Ltd

The Guarantor's registered name is Odfjell Technology Invest Ltd, while its commercial name is "Odfjell Technology Invest". The Guarantor is a limited company, validly incorporated on 10 July 2003 and existing under the laws of Bermuda under registration number 33920, issued by the Registrar of Companies in Bermuda. Odfjell Technology Invest Ltd. (Bermuda) also has a branch established in Dubai, United Arab Emirates, through which operations are performed.

The Guarantor's corporate seat for its Norwegian branch is in Bergen, Norway, and its registered business address is Kokstadflaten 35, 5257 Kokstad, Bergen. The telephone number to the Guarantor's principal offices is +47 559 98 900 and its website is www.odfjelltechnology.com. The information presented on the Guarantor's website does not form part of the Prospectus. The Guarantor's LEI code is 529900CK99K42CS2GS60.

9.5.1.7 Odfjell Platform Drilling AS

The Guarantor's registered name is Odfjell Platform Drilling AS, while its commercial name is "Odfjell Platform Drilling". The Guarantor is a private limited liability company validly incorporated on 16 March 2017 and existing under the laws of Norway. The Guarantor is registered with Norwegian Register of Business Enterprises under registration number 918 646 175.

The Guarantor's corporate seat is in Norway, and its registered business address is Kokstadflaten 35, 5257 Kokstad, Bergen. The telephone number to the Guarantor's principal offices is +47 559 98 900 and its website is www.odfjelltechnology.com. The information presented on the Guarantor's website does not form part of the Prospectus. The Guarantor's LEI code is 529900V1Z8GB3B5HDO23.

9.5.1.8 Odfjell Technology AS

The Guarantor's registered name is Odfjell Technology AS and its commercial name is "Odfjell Technology AS". The Guarantor is a private limited liability company validly incorporated on 18 September 2017 and existing under the laws of Norway. The Guarantor is registered with Norwegian Register of Business Enterprises under registration number 919 580 240.

The Guarantor's corporate seat is in Norway, and its registered business address is Kokstadflaten 35, 5257 Kokstad, Bergen. The telephone number to the Guarantor's principal offices is +47 555 26 500 and its website is www.odfjelltechnology.com. The information presented on the Guarantor's website does not form part of the Prospectus. The Guarantor's LEI code is 529900HZQ40J90NS7347.

10 SELLING AND TRANSFER RESTRICTIONS

As a consequence of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the securities described herein. The Issuer is not taking any action to permit a public offering of the Bonds in any jurisdiction. Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if an investor receives a copy of this Prospectus in any jurisdiction other than Norway, the investor may not treat this Prospectus as constituting an invitation or offer to it, nor should the investor in any event deal in the Bonds (or any other securities described herein), unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Bonds (or any other securities described herein) could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Prospectus, the investor should not distribute or send the same, or transfer Bonds, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.

10.1 Selling and transfer restrictions

10.1.1 United States

The Bonds have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold within the United States.

10.1.2 Other jurisdictions

The Bonds may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into any other jurisdiction in which it would not be permissible to offer the Bonds.

11 ADDITIONAL INFORMATION

11.1 Advisors

Danske Bank, Norwegian branch, with registration number 977 074 010 and registered address Søndre gate 15, 7011 Trondheim, Norway and DNB Markets, a part of DNB Bank ASA, with registration number 984 851 006 and registered address Dronning Eufemias gate 30, 0021 Oslo, Norway, have acted as joint bookrunners in connection with the Bond Issue.

Wikborg Rein Advokatfirma AS, with registration number 916 782 195 and registered business address Dronning Mauds gate 11, N-0250 Oslo, Norway, has acted as Norwegian legal counsel to the Group in connection with the Listing.

11.2 Availability of Documents

Copies of the following documents will be available for inspection at the Issuer's webpage www.odfjelltechnology.com, for a period of twelve months from the date of this Prospectus:

- the Bye-Laws and articles of associations,
- this Prospectus, and
- the memorandum and articles of association of the Guarantors.

The content of the website is not incorporated by reference into, or otherwise form part of, this Prospectus.

Other than the Issuer's Financial Statements and the Guarantor's Financial Statements, no reports, letters, or other documents, valuations, or statements prepared by any expert at the Issuer's request have been included in this Prospectus.

12 DEFINITIONS AND GLOSSARY OF TERMS

Board of Directors or Board Member	The members of the board of directors of the Issuer, or any one of them
Bond Terms	The bond terms entered into on 12 September 2024 between the Issuer as issuer and Nordic Trustee AS, attached hereto as Appendix 2
Bond Trustee	Nordic Trustee AS, with business registration number 963 342 624 and registered business address Kronprinsesse Märthas plass 1, N-0116 Vika, Norway
Bonds or Bond Issue	The Odfjell Technology Ltd FRN senior secured NOK 1,7000,000,000 bonds 2024/2028 with ISIN NO0013326090, issued by the Issuer on 16 September 2024
BP	BP group
BSP	Brunei Shell Petroleum Company Sindarin Berhad
Bye-Laws	The Bye-laws of the Issuer, dated 29 March 2022, attached hereto as Appendix 1
CFC	Controlled Foreign Corporation
ConocoPhillips	The ConocoPhillips group
Corporate Governance Code	The Norwegian Code of Practice for Corporate Governance, last updated 14 October 2021
CSD	Euronext Securities Oslo, the Norwegian Central Securities Depository
The Disputed Period	Tax years 2003/2004 to 2013/2014, as further detailed in Section 1.2.4.
Operations	The Group's drilling operations segment
E&P	Exploration and production
Projects & Engineering	The Group's projects and engineering segment
Equinor	The Equinor group
ES Act	The Economic Substance Act 2018 (as amended) of Bermuda
EU	The European Union
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended, and as implemented in Norway in accordance with section 7-1 of the Norwegian Securities Trading Act
Financial Information	The Issuer's Financial Statements and the Guarantors' Annual Financial Statements
Group	The Issuer together with its Subsidiaries
The Guarantors' Financial Statements	The audited financial statements as of and for the financial years ended 31 December 2023 and 2022 for: Odfjell Well Services Norway AS; Odfjell Operations AS; Odfjell Technology (UK) Ltd; Odfjell Engineering AS; Odfjell Offshore Ltd; Odfjell Technology Invest Ltd; Odfjell Platform Drilling AS; Odfjell Technology AS
HMRC	HM Revenue and Customs
IFRS (EU)	The International Financial Reporting Standards as adopted by the EU
IFRS (IASB)	The International Financial Reporting Standards as adopted by the International Accounting Standards Board
IPR	Intellectual Property Rights
ISA(UK)	International Standards on Auditing (UK)
The Issuer's Financial Statements	The audited consolidated financial statements for the Issuer as of and for the financial years ended 31 December 2023 and 31 December 2022 prepared in accordance with the IFRS® Accounting Standards as adopted by the International Accounting Standards Board, attached hereto as Appendices 3 and 4 , respectively.
IT	Information Technology
Listing	The listing of the Bonds on Euronext Oslo Børs
Management	The Issuer's senior management
Managers	Danske Bank, Norwegian branch, and DNB Markets, a part of DNB Bank ASA
MODU	Mobile Offshore Drilling Unit
NCS	Norwegian Continental Shelf
NGAAP	Norwegian Generally Accepted Accounting Principles
NICs	National Insurance Contributions

Non-resident Entity	Pursuant to the ES Act, a registered entity other than an entity which is resident for tax purposes in certain jurisdictions outside Bermuda
Norwegian FSA	The Financial Supervisory Authority of Norway (Nw.: <i>Finanstilsynet</i>)
The Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended
ODCC	Odfjell Drilling and Consulting Company A/S
Odfjell or the Issuer	Odfjell Technology Ltd
ODL	The Odfjell Drilling Ltd group
Odfjell Offshore	Odfjell Offshore Ltd.
Operations	The Group's operations segment
Oslo Stock Exchange	Euronext Oslo Børs, a stock exchange being part of Euronext and operated by Oslo Børs ASA
Projects & Engineering	The Group's projects & engineering segment
Prospectus	This Prospectus dated 8 April 2025
QHSE	Quality, Health, Safety and Environment
RCF	Revolving Credit Facility
Rental Equipment	The equipment that the Group rents to clients
Repsol	Repsol Norge AS
Serica	Serica Energy plc
SFL	SFL Corporation Ltd.
Shelf	Shelf Drilling (Norway) AS
The Split	The split of Well Services, Operations and Projects & Engineering into Odfjell Technology Ltd
TAQA	Abu Dhabi National Energy Company PJSC
UK GAAP	Financial Reporting Standard 102 as adopted by the Financial Reporting Council of the United Kingdom
UKCS	The United Kingdom Continental Shelf
Well Services	The Group's well services segment



Odfjell Technology Ltd.

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Managers to the Issuer

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Appendix 1 - Bye-Laws of Odfjell Technology Ltd.

Bye-laws

of

Odfjell Technology Ltd

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INTERPRETATION

1. DEFINITIONS

1.1. In these Bye-laws, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:

“Act”	the Companies Act 1981 as amended from time to time;
“Alternate Director”	an alternate director appointed in accordance with these Bye-laws;
“Auditor”	includes an individual, company or partnership;
“Board”	the board of directors appointed or elected pursuant to these Bye-laws and acting by resolution in accordance with the Act and these Bye-laws or the directors present at a meeting of directors at which there is a quorum;
“Chairman”	the Director of the Company appointed by the Board in accordance with these Bye-laws to perform any or all of the duties of the chairman of the Company;
“Company”	the company for which these Bye-laws are approved and confirmed;
“Director”	a director of the Company and shall include an Alternate Director;
“Member”	the person registered in the Register of Members as the holder of shares in the Company and, when two or more persons are so registered as joint holders of shares, means the person whose name stands first in the Register of Members as one of such joint holders or all of such persons, as the context so requires;
“notice”	written notice as further provided in these Bye-laws unless otherwise specifically stated;
“Officer”	any person appointed by the Board to hold an office in the Company;
“Register of Directors and Officers”	the register of directors and officers referred to in these Bye-laws;
“Register of Members”	the register of members referred to in these Bye-laws;
“Resident Representative”	any person appointed to act as resident representative and includes any deputy or assistant resident representative;

“Secretary”	the person appointed to perform any or all of the duties of secretary of the Company and includes any deputy or assistant secretary and any person appointed by the Board to perform any of the duties of the Secretary;
“Treasury Share”	a share of the Company that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled; and
“VPS”	Euronext Securities Oslo, the Norwegian Central Securities Depository.

1.2. In these Bye-laws, where not inconsistent with the context:

- (a) words denoting the plural number include the singular number and *vice versa*;
- (b) words denoting the masculine gender include the feminine and neuter genders;
- (c) words importing persons include companies, associations or bodies of persons whether corporate or not;
- (d) the words:-
 - (i) "may" shall be construed as permissive; and
 - (ii) "shall" shall be construed as imperative;
- (e) a reference to a statutory provision shall be deemed to include any amendment or re-enactment thereof;
- (f) the phrase "issued and outstanding" in relation to shares, means shares in issue other than Treasury Shares;
- (g) the word "corporation" means a corporation whether or not a company within the meaning of the Act; and
- (h) unless otherwise provided herein, words or expressions defined in the Act shall bear the same meaning in these Bye-laws.

1.3. In these Bye-laws expressions referring to writing or its cognates shall, unless the contrary intention appears, include facsimile, printing, lithography, photography, electronic mail and other modes of representing words in visible form.

1.4. Headings used in these Bye-laws are for convenience only and are not to be used or relied upon in the construction hereof.

SHARES

2. POWER TO ISSUE SHARES

Subject to these Bye-laws and to any resolution of the Members to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares of the Company on such terms and conditions as it may determine.

3. POWER OF THE COMPANY TO PURCHASE ITS SHARES

- 3.1. The Company may purchase its own shares for cancellation or acquire them as Treasury Shares in accordance with the Act on such terms as the Board shall think fit.
- 3.2. The Board may exercise all the powers of the Company to purchase or acquire all or any part of its own shares in accordance with the Act.

4. RIGHTS ATTACHING TO SHARES

- 4.1. At the date these Bye-laws are adopted, the share capital of the Company shall consist of common shares of par value US\$0.01 each (the "Common Shares").
- 4.2. The holders of Common Shares shall, subject to these Bye-laws:
 - (a) be entitled to one vote per share;
 - (b) be entitled to such dividends as the Board may from time to time declare;
 - (c) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and
 - (d) generally be entitled to enjoy all of the rights attaching to shares.
- 4.3. All the rights attaching to a Treasury Share shall be suspended and shall not be exercised by the Company while it holds such Treasury Share and, except where required by the Act and any other applicable laws and regulations, all Treasury Shares shall be excluded from the calculation of any percentage or fraction of the share capital, or shares, of the Company.

5. CALLS ON SHARES

- 5.1. The Board may make such calls as it thinks fit upon the Members in respect of any moneys (whether in respect of nominal value or premium) unpaid on the shares allotted to or held by such Members (and not made payable at fixed times by the terms and conditions of issue) and, if a call is not paid on or before the day appointed for payment thereof, the Member may at the discretion of the Board be liable to pay the Company interest on the amount of such call at such rate as the Board may determine, from the date when such call was payable up to the actual date of payment. The Board may differentiate between the holders as to the amount of calls to be paid and the times of payment of such calls.

- 5.2. Any amount which, by the terms of allotment of a share, becomes payable upon issue or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Bye-laws be deemed to be an amount on which a call has been duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these Bye-laws as to payment of interest, costs and expenses, forfeiture or otherwise shall apply as if such amount had become payable by virtue of a duly made and notified call.
- 5.3. The joint holders of a share shall be jointly and severally liable to pay all calls and any interest, costs and expenses in respect thereof.
- 5.4. The Company may accept from any Member the whole or a part of the amount remaining unpaid on any shares held by such Member, although no part of that amount has been called up or become payable.

6. FORFEITURE OF SHARES

- 6.1. If any Member fails to pay, on the day appointed for payment thereof, any call in respect of any share allotted to or held by such Member, the Board may, at any time thereafter during such time as the call remains unpaid, direct the Secretary to forward such Member a notice in writing in the form, or as near thereto as circumstances admit, of the following:

Notice of Liability to Forfeiture for Non-Payment of Call

Odfjell Technology Ltd (the "Company")

You have failed to pay the call of [amount of call] made on [date], in respect of the [number] share(s) [number in figures] standing in your name in the Register of Members of the Company, on [date], the day appointed for payment of such call. You are hereby notified that unless you pay such call together with interest thereon at the rate of [] per annum computed from the said [date] at the registered office of the Company the share(s) will be liable to be forfeited.

Dated this [date]

[Signature of Secretary] By Order of the Board

- 6.2. If the requirements of such notice are not complied with, any such share may at any time thereafter before the payment of such call and the interest due in respect thereof be forfeited by a resolution of the Board to that effect, and such share shall thereupon become the property of the Company and may be disposed of as the Board shall determine. Without limiting the generality of the foregoing, the disposal may take place by sale, repurchase, redemption or any other method of disposal permitted by and consistent with these Bye-laws and the Act.
- 6.3. A Member whose share or shares have been so forfeited shall, notwithstanding such forfeiture, be liable to pay to the Company all calls owing on such share or shares at the time of the

forfeiture, together with all interest due thereon and any costs and expenses incurred by the Company in connection therewith.

- 6.4. The Board may accept the surrender of any shares which it is in a position to forfeit on such terms and conditions as may be agreed. Subject to those terms and conditions, a surrendered share shall be treated as if it had been forfeited.

7. SHARE CERTIFICATES

- 7.1. No share certificates shall be issued by the Company unless, in respect of a class of shares, the Board has either for all or for some holders of such shares (who may be determined in such manner as the Board thinks fit) determined that the holder of such shares may be entitled to share certificates. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all.
- 7.2. Subject to being entitled to a share certificate under the provisions of Bye-law 7.1, the Company shall be under no obligation to complete and deliver a share certificate unless specifically called upon to do so by the person to whom the shares have been allotted.
- 7.3. If any share certificate shall be proved to the satisfaction of the Board to have been worn out, lost, mislaid, or destroyed the Board may cause a new certificate to be issued and request an indemnity for the lost certificate if it sees fit.
- 7.4. Notwithstanding any provisions of these Bye-laws:
- (a) the Board shall, subject always to the Act and any other applicable laws and regulations and the facilities and requirements of any relevant system concerned, have power to implement any arrangements it may, in its absolute discretion, think fit in relation to the evidencing of title to and transfer of uncertificated shares by means of the VPS system or any other relevant system, and to the extent such arrangements are so implemented, no provision of these Bye-laws shall apply or have effect to the extent that it is in any respect inconsistent with the holding or transfer of shares in uncertificated form; and
 - (b) unless otherwise determined by the Board and as permitted by the Act and any other applicable laws and regulations, no person shall be entitled to receive a certificate in respect of any share for so long as the title to that share is evidenced otherwise than by a certificate and for so long as transfers of that share may be made otherwise than by a written instrument.

8. FRACTIONAL SHARES

The Company may issue its shares in fractional denominations and deal with such fractions to the same extent as its whole shares and shares in fractional denominations shall have in proportion to the respective fractions represented thereby all of the rights of whole shares including (but without limiting the generality of the foregoing) the right to vote, to receive dividends and distributions and to participate in a winding-up.

REGISTRATION OF SHARES

9. REGISTER OF MEMBERS

- 9.1. The Board shall cause to be kept in one or more books a Register of Members and shall enter therein the particulars required by the Act. Subject to the provisions of the Act, the Company may keep one or more branch registers in any place in or outside of Bermuda, and the Board may make, amend and revoke any such regulations as it may think fit respecting the keeping of such branch registers. The Board may authorise any share on the Register of Members to be included in a branch register or any share registered on a branch register to be registered on another branch register, provided that at all times the Register of Members is maintained in accordance with the Act.
- 9.2. The Register of Members shall be open to inspection without charge at the registered office of the Company on every business day, subject to such reasonable restrictions as the Board may impose, so that not less than two hours in each business day be allowed for inspection. The Register of Members may, after notice has been given in accordance with the Act, be closed for any time or times not exceeding in the whole thirty days in each year.

10. REGISTERED HOLDER ABSOLUTE OWNER

The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not be bound to recognise any equitable claim or other claim to, or interest in, such share on the part of any other person.

11. TRANSFER OF REGISTERED SHARES

- 11.1. Subject to the Act and to such of the restrictions contained in these Bye-laws as may be applicable, any Member may transfer all or any of such Member's shares by an instrument of transfer in the usual common form or in any other form which the Board may approve. No such instrument shall be required on the redemption of a share or on the purchase by the Company of a share. All transfers of uncertificated shares shall be made in accordance with and be subject to the facilities and requirements of the transfer of title to shares in that class by means of the VPS system or any other relevant system concerned and, subject thereto, in accordance with any arrangements made by the Board pursuant to Bye-law 7.
- 11.2. The instrument of transfer of a share shall be signed by (or in the case of a party that is a corporation, on behalf of) the transferor and transferee, provided that, in the case of a fully paid share, the Board may accept the instrument signed by or on behalf of the transferor alone. The transferor shall be deemed to remain the holder of such share until the same has been registered as having been transferred to the transferee in the Register of Members.
- 11.3. The Board may refuse to recognise any instrument of transfer unless it is accompanied by the certificate in respect of the shares (if one has been issued) to which it relates and by such other evidence as the Board may reasonably require to prove the right of the transferor to make the transfer.
- 11.4. The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased

Member may transfer any such share to the executors or administrators of such deceased Member.

- 11.5. The Board may decline to register a transfer of any share in the Register of Members, or if required, refuse to direct any registrar appointed by the Company to transfer of any interest in a share where such transfer would, in the opinion of the Board, be likely to result in 50% or more of the issued and outstanding shares or votes being held, controlled or owned directly or indirectly by individuals or legal persons resident for tax purposes in Norway or, alternatively, such shares or votes being effectively connected to a Norwegian business activity, or the Company otherwise being deemed a "Controlled Foreign Company" pursuant to Norwegian tax rules.
- 11.6. The Board shall refuse to register a transfer unless all applicable consents, authorisations and permissions of any governmental body or agency in Bermuda have been obtained. If the Board refuses to register a transfer of any share the Secretary shall, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.
- 11.7. Shares may be transferred without a written instrument if transferred by an appointed agent or otherwise in accordance with the Act.
- 11.8. Subject to Bye-law 11.5, but notwithstanding anything else contrary in these Bye-laws, shares that are listed or admitted to trading on an appointed stock exchange may be transferred in accordance with the rules and regulations of such exchange.

12. TRANSMISSION OF REGISTERED SHARES

- 12.1. In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the Act, for the purpose of this Bye-law, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member.
- 12.2. Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share, and in such case the person becoming entitled shall execute in favour of such nominee an instrument of transfer in writing in the form, or as near thereto as circumstances admit, of the following:

Transfer by a Person Becoming Entitled on Death/Bankruptcy of a Member

Odfjell Technology Ltd (the "Company")

I/We, having become entitled in consequence of the [death/bankruptcy] of [name and address of deceased/bankrupt Member] to [number] share(s) standing in the Register of Members of the Company in the name of the said [name of deceased/bankrupt Member] instead of being registered myself/ourselves, elect to have [name of transferee] (the "Transferee") registered as a transferee of such share(s) and I/we do hereby accordingly transfer the said share(s) to the Transferee to hold the same unto the Transferee, his or her executors, administrators and assigns, subject to the conditions on which the same were held at the time of the execution hereof; and the Transferee does hereby agree to take the said share(s) subject to the same conditions.

DATED this [date]

Signed by:

In the presence of:

Transferor

Witness

Signed by:

In the presence of:

Transferee

Witness

- 12.3. On the presentation of the foregoing materials to the Board, accompanied by such evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.
- 12.4. Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to such share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

ALTERATION OF SHARE CAPITAL

13. POWER TO ALTER CAPITAL

- 13.1. The Company may if authorised by resolution of the Members increase, divide, consolidate, subdivide, change the currency denomination of, diminish or otherwise alter or reduce its share capital in any manner permitted by the Act.
- 13.2. Where, on any alteration or reduction of share capital, fractions of shares or some other difficulty would arise, the Board may deal with or resolve the same in such manner as it thinks fit.

14. VARIATION OF RIGHTS ATTACHING TO SHARES

If, at any time, the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a resolution passed by a majority of the votes cast at a separate general meeting of the holders of the shares of the class at which meeting the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class. The rights conferred upon the holders of the shares of any class or series issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class or series, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

DIVIDENDS AND CAPITALISATION

15. DIVIDENDS

- 15.1. The Board may, subject to these Bye-laws and in accordance with the Act, declare a dividend to be paid to the Members, in proportion to the number of shares held by them, and such dividend may be paid in cash or wholly or partly in specie in which case the Board may fix the value for distribution in specie of any assets. No unpaid dividend shall bear interest as against the Company.
- 15.2. The Board may fix any date as the record date for determining the Members entitled to receive any dividend.
- 15.3. The Company may pay dividends in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.
- 15.4. The Board may declare and make such other distributions (in cash or in specie) to the Members as may be lawfully made out of the assets of the Company. No unpaid distribution shall bear interest as against the Company.

16. POWER TO SET ASIDE PROFITS

The Board may, before declaring a dividend, set aside out of the surplus or profits of the Company, such amount as it thinks proper as a reserve to be used to meet contingencies or for equalising dividends or for any other purpose.

17. METHOD OF PAYMENT

- 17.1. Any dividend, interest, or other moneys payable in cash in respect of the shares may be paid through the VPS system or any other relevant system, or by cheque or bank draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the Member may direct in writing, or by transfer to such account as the Member may direct in writing.

- 17.2. In the case of joint holders of shares, any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or bank draft sent through the post directed to the address of the holder first named in the Register of Members, or to such person and to such address as the joint holders may direct in writing, or by transfer to such account as the joint holders may direct in writing. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.
- 17.3. The Board may deduct from the dividends or distributions payable to any Member all moneys due from such Member to the Company on account of calls or otherwise.
- 17.4. Any dividend and/or other moneys payable in respect of a share which has remained unclaimed for 7 years from the date when it became due for payment shall, if the Board so resolves, be forfeited and cease to remain owing by the Company. The payment of any unclaimed dividend or other moneys payable in respect of a share may (but need not) be paid by the Company into an account separate from the Company's own account. Such payment shall not constitute the Company a trustee in respect thereof.
- 17.5. The Company shall be entitled to cease sending dividend cheques and drafts by post or otherwise to a Member if those instruments have been returned undelivered to, or left uncashed by, that Member on at least two consecutive occasions or, following one such occasion, reasonable enquiries have failed to establish the Member's new address. The entitlement conferred on the Company by this Bye-law 17.5 in respect of any Member shall cease if the Member claims a dividend or cashes a dividend cheque or draft.

18. CAPITALISATION

- 18.1. The Board may capitalise any amount for the time being standing to the credit of any of the Company's share premium or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such amount in paying up unissued shares to be allotted as fully paid bonus shares pro rata (except in connection with the conversion of shares of one class to shares of another class) to the Members.
- 18.2. The Board may capitalise any amount for the time being standing to the credit of a reserve account or amounts otherwise available for dividend or distribution by applying such amounts in paying up in full, partly or nil paid shares of those Members who would have been entitled to such amounts if they were distributed by way of dividend or distribution.

MEETINGS OF MEMBERS

19. ANNUAL GENERAL MEETINGS

An annual general meeting of the Company shall be held in each year (other than the year of incorporation) in the United Kingdom at such time and place as the Chairman or any two Directors or any Director and the Secretary or the Board shall appoint.

20. SPECIAL GENERAL MEETINGS

The Chairman or any two Directors or any Director and the Secretary or the Board may convene a special general meeting whenever in their judgment such a meeting is necessary.

21. REQUISITIONED GENERAL MEETINGS

The Board shall, on the requisition of Members holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up share capital of the Company as at the date of the deposit carries the right to vote at general meetings, forthwith proceed to convene a special general meeting and the provisions of the Act shall apply.

22. NOTICE

- 22.1. Notice of an annual general meeting or special general meeting may be published on the Oslo Stock Exchange website and following such publication the annual general meeting or special general meeting, as applicable, may be held 21 days (or such other additional number of days as determined by the Board) after such date of publication, provided the Company complies with Bye-laws 22 and 23 (the “OSE Notice”).
- 22.2. No later than the close of business on the business day following the date of publication of an OSE Notice in relation to an annual general meeting, notice of an annual general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held, that the election of Directors will take place thereat, and as far as practicable, the other business to be conducted at the meeting.
- 22.3. No later than the close of business on the business day following the date of publication of an OSE Notice in relation to a special general meeting, notice of a special general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, time, place and the general nature of the business to be considered at the meeting.
- 22.4. Subject to Bye-law 22.7, the Board may fix any date as the record date for determining the Members entitled to receive notice of and to vote at any general meeting.
- 22.5. A general meeting shall, notwithstanding that it is called on shorter notice than that specified in these Bye-laws, be deemed to have been properly called if it is so agreed by (i) all the Members entitled to attend and vote thereat in the case of an annual general meeting; and (ii) by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving a right to attend and vote thereat in the case of a special general meeting.
- 22.6. The accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 22.7. Notwithstanding any other provisions of these Bye-laws, in relation to any general meeting, or any class meeting of the Members or any adjourned meeting or any poll taken at a meeting or adjourned meeting of which notice is given, the Board may specify in the notice of the meeting or adjourned meeting or in any document sent to the Members by or on behalf of the Board in relation to the meeting, a time and date (a “Record Date”) which is not more than five (5) days before the date fixed for the meeting (the “Meeting Date”) and notwithstanding any provision in these Bye-laws to the contrary, in such case:

- (a) each person entered in the Register of Members at the Record Date as a Member, or a Member of the relevant class (a "Record Date Holder") shall be entitled to attend and vote at the relevant meeting and to exercise all of the rights and privileges of a Member or a Member of the relevant class, as applicable, in relation to that meeting in respect of the shares, or the shares of the relevant class, registered in such Member's name in the Register of Members (including, for the avoidance of doubt, a branch register) at the Record Date;
- (b) as regards any shares, or shares of the relevant class, which are registered in the name of a Record Date Holder at the Record Date but are not so registered at the meeting date (the "Relevant Shares"), each holder of any Relevant Shares at the meeting date shall be deemed to have irrevocably appointed that Record Date Holder as his proxy for the purpose of attending and voting in respect of those Relevant Shares at the relevant meeting (with power to appoint, or to authorise the appointment of, some other person as proxy), in such manner as the Record Date Holder in his absolute discretion may determine;
- (c) accordingly, except through his proxy pursuant to this Bye-law 22.7, a holder of Relevant Shares at the meeting date who is not a Record Date Holder, shall not be entitled to attend or to vote at the relevant meeting, or to exercise any of the rights or privileges of a Member or a Member of the relevant class, in respect of the Relevant Shares at that meeting; and
- (d) the entry of the name of a person in the Register of Members as a Record Date Holder shall be sufficient evidence of his appointment as proxy in respect of any Relevant Shares for the purposes of this Bye-law 22.7, but all the provisions of these Bye-laws relating to execution and deposit of an instrument appointing a proxy or any ancillary matter (including the Board's powers and discretions relevant to such matter) shall apply to any instrument appointing any person other than the Record Date Holder as proxy in respect of any Relevant Shares.

23. GIVING NOTICE AND ACCESS

23.1. A notice may be given by the Company to a Member:

- (a) by delivering it to such Member in person, in which case the notice shall be deemed to have been served upon such delivery; or
- (b) by sending it by post to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served seven days after the date on which it is deposited, with postage prepaid, in the mail; or
- (c) by sending it by courier to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served two days after the date on which it is deposited, with courier fees paid, with the courier service; or

- (d) by transmitting it by electronic means (including facsimile and electronic mail, but not telephone) in accordance with such directions as may be given by such Member to the Company for such purpose, in which case the notice shall be deemed to have been served at the time that it would in the ordinary course be transmitted; or
- (e) by delivering it in accordance with the provisions of the Act pertaining to delivery of electronic records by publication on a website, in which case the notice shall be deemed to have been served at the time when the requirements of the Act in that regard have been met.

23.2. Any notice required to be given to a Member shall, with respect to any shares held jointly by two or more persons, be given to whichever of such persons is named first in the Register of Members and notice so given shall be sufficient notice to all the holders of such shares.

23.3. In proving service under paragraphs 23.1(b), (c) and (d), it shall be sufficient to prove that the notice was properly addressed and prepaid, if posted or sent by courier, and the time when it was posted, deposited with the courier, or transmitted by electronic means.

24. POSTPONEMENT OR CANCELLATION OF GENERAL MEETING

The Secretary may, and on the instruction of the Chairman or the chairman of such general meeting, the Secretary shall, postpone or cancel any general meeting called in accordance with these Bye-laws (other than a meeting requisitioned under these Bye-laws) provided that notice of postponement or cancellation is given to the Members before the time for such meeting. Fresh notice of the date, time and place for the postponed meeting shall be given to each Member in accordance with these Bye-laws.

25. ELECTRONIC PARTICIPATION AND SECURITY IN MEETINGS

25.1. Members may participate in any general meeting by such telephonic, electronic or other communication facilities or means as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

25.2. The Board may, and at any general meeting, the chairman of such meeting may, make any arrangement and impose any requirement or restriction it or he considers appropriate to ensure the security of a general meeting including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place. The Board and, at any general meeting, the chairman of such meeting are entitled to refuse entry to a person who refuses to comply with any such arrangements, requirements or restrictions.

26. QUORUM AT GENERAL MEETINGS

26.1. At any general meeting two or more persons present in person and representing in person or by proxy in excess of one-third of the total issued voting shares in the Company throughout the meeting shall form a quorum for the transaction of business, provided that if the Company shall at any time have only one Member, one Member present in person or by proxy shall form a

quorum for the transaction of business at any general meeting held during such time.

- 26.2. If within half an hour from the time appointed for the meeting a quorum is not present, then, in the case of a meeting convened on a requisition, the meeting shall be deemed cancelled and, in any other case, the meeting shall stand adjourned to the same day one week later, at the same time and place or to such other day, time or place as the Secretary may determine. Unless the meeting is adjourned to a specific date, time and place announced at the meeting being adjourned, fresh notice of the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat in accordance with these Bye-laws.

27. CHAIRMAN TO PRESIDE AT GENERAL MEETINGS

Unless otherwise agreed by a majority of those attending and entitled to vote thereat, the Chairman shall act as chairman at all general meetings at which such person is present. If the Chairman is absent, a chairman of the meeting shall be appointed or elected by those present at the meeting and entitled to vote.

28. VOTING ON RESOLUTIONS

- 28.1. Subject to the Act and these Bye-laws, any question proposed for the consideration of the Members at any general meeting shall be decided by the affirmative votes of a majority of the votes cast in accordance with these Bye-laws and in the case of an equality of votes the resolution shall fail.
- 28.2. No Member shall be entitled to vote at a general meeting unless such Member has paid all the calls on all shares held by such Member.
- 28.3. At any general meeting a resolution put to the vote of the meeting shall, in the first instance, be voted upon by a show of hands and, subject to any rights or restrictions for the time being lawfully attached to any class of shares and subject to these Bye-laws, every Member present in person and every person holding a valid proxy at such meeting shall be entitled to one vote and shall cast such vote by raising his or her hand.
- 28.4. In the event that a Member participates in a general meeting by telephone, electronic or other communication facilities or means, the chairman of the meeting shall direct the manner in which such Member may cast his vote on a show of hands.
- 28.5. At any general meeting if an amendment is proposed to any resolution under consideration and the chairman of the meeting rules on whether or not the proposed amendment is out of order, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
- 28.6. At any general meeting a declaration by the chairman of the meeting that a question proposed for consideration has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in a book containing the minutes of the proceedings of the Company shall, subject to these Bye-laws, be conclusive evidence of that fact.

29. POWER TO DEMAND A VOTE ON A POLL

29.1. Notwithstanding the foregoing, a poll may be demanded by any of the following persons:

- (a) the chairman of such meeting; or
- (b) at least three Members present in person or represented by proxy; or
- (c) any Member or Members present in person or represented by proxy and holding between them not less than one-tenth of the total voting rights of all the Members having the right to vote at such meeting; or
- (d) any Member or Members present in person or represented by proxy holding shares in the Company conferring the right to vote at such meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total amount paid up on all such shares conferring such right.

29.2. Where a poll is demanded, subject to any rights or restrictions for the time being lawfully attached to any class of shares, every person present at such meeting shall have one vote for each share of which such person is the holder or for which such person holds a proxy and such vote shall be counted by ballot as described herein, or in the case of a general meeting at which one or more Members are present by telephone, electronic or other communication facilities or means, in such manner as the chairman of the meeting may direct and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded and shall replace any previous resolution upon the same matter which has been the subject of a show of hands. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

29.3. A poll demanded for the purpose of electing a chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and in such manner during such meeting as the chairman (or acting chairman) of the meeting may direct. Any business other than that upon which a poll has been demanded may be conducted pending the taking of the poll.

29.4. Where a vote is taken by poll, each person physically present and entitled to vote shall be furnished with a ballot paper on which such person shall record his vote in such manner as shall be determined at the meeting having regard to the nature of the question on which the vote is taken, and each ballot paper shall be signed or initialled or otherwise marked so as to identify the voter and the registered holder in the case of a proxy. Each person present by telephone, electronic or other communication facilities or means shall cast his vote in such manner as the chairman of the meeting shall direct. At the conclusion of the poll, the ballot papers and votes cast in accordance with such directions shall be examined and counted by one or more scrutineers appointed by the Board or, in the absence of such appointment, by a committee of not less than two Members or proxy holders appointed by the chairman of the meeting for the purpose, and the result of the poll shall be declared by the chairman of the meeting.

30. VOTING BY JOINT HOLDERS OF SHARES

In the case of joint holders, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

31. INSTRUMENT OF PROXY

31.1. A Member may appoint a proxy by

- (a) an instrument which shall be in writing in substantially the following form or such other form as the Board may determine from time to time or the Board or the chairman of the meeting shall accept:

Proxy

Odfjell Technology Ltd (the "Company")

I/We, [insert names here] , being a Member of the Company with [number] shares, HEREBY APPOINT [name] of [address] or failing him, [name] of [address] to be my/our proxy to vote for me/us at the meeting of the Members to be held on [date] and at any adjournment thereof. [Any restrictions on voting to be inserted here.]

Signed this [date]

Member(s)

or

- (b) such telephonic, electronic or other means as may be approved by the Board from time to time.

31.2. The appointment of a proxy must be received by the Company at the registered office or at such other place or in such manner as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at which the person named in the appointment proposes to vote, and appointment of a proxy which is not received in the manner so permitted shall be invalid.

31.3. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf in respect of different shares.

31.4. The decision of the chairman of any general meeting as to the validity of any appointment of a proxy shall be final.

32. REPRESENTATION OF CORPORATE MEMBER

- 32.1. A corporation which is a Member may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting of the Members and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual Member, and that Member shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.
- 32.2. Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation which is a Member.

33. ADJOURNMENT OF GENERAL MEETING

- 33.1. The chairman of a general meeting at which a quorum is present may, with the consent of the Members holding a majority of the voting rights of those Members present in person or by proxy (and shall if so directed by Members holding a majority of the voting rights of those Members present in person or by proxy) adjourn the meeting.
- 33.2. The chairman of a general meeting may adjourn the meeting to another time and place without the consent or direction of the Members if it appears to him that:
- (a) it is likely to be impractical to hold or continue that meeting because of the number of Members wishing to attend who are not present; or
 - (b) the unruly conduct of persons attending the meeting prevents, or is likely to prevent, the orderly continuation of the business of the meeting; or
 - (c) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.
- 33.3. Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned, fresh notice of the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat in accordance with these Bye-laws.

34. WRITTEN RESOLUTIONS

- 34.1. Subject to these Bye-laws, anything which may be done by resolution of the Company in general meeting or by resolution of a meeting of any class of the Members may be done without a meeting by written resolution in accordance with this Bye-law.
- 34.2. Notice of a written resolution shall be given, and a copy of the resolution shall be circulated to all Members who would be entitled to attend a meeting and vote thereon. The accidental omission to give notice to, or the non-receipt of a notice by, any Member does not invalidate the passing of a resolution.

- 34.3. A written resolution is passed when it is signed by (or in the case of a Member that is a corporation, on behalf of) the Members who at the date that the notice is given represent such majority of votes as would be required if the resolution was voted on at a meeting of Members at which all Members entitled to attend and vote thereat were present and voting.
- 34.4. A resolution in writing may be signed in any number of counterparts.
- 34.5. A resolution in writing made in accordance with this Bye-law is as valid as if it had been passed by the Company in general meeting or by a meeting of the relevant class of Members, as the case may be, and any reference in any Bye-law to a meeting at which a resolution is passed or to Members voting in favour of a resolution shall be construed accordingly.
- 34.6. A resolution in writing made in accordance with this Bye-law shall constitute minutes for the purposes of the Act.
- 34.7. This Bye-law shall not apply to:
- (a) a resolution passed to remove an Auditor from office before the expiration of his term of office; or
 - (b) a resolution passed for the purpose of removing a Director before the expiration of his term of office.
- 34.8. For the purposes of this Bye-law, the effective date of the resolution is the date when the resolution is signed by (or in the case of a Member that is a corporation on behalf of) the last Member whose signature results in the necessary voting majority being achieved and any reference in any Bye-law to the date of passing of a resolution is, in relation to a resolution made in accordance with this Bye-law, a reference to such date.

35. DIRECTORS' AND THE AUDITOR'S ATTENDANCE AT GENERAL MEETINGS

The Directors and Chief Executive Officer shall be entitled to receive notice of, attend and be heard at any general meeting, and the Chairman and the Chief Executive Officer shall attend general meetings where possible. The auditor of the Company shall be entitled to receive notice of, attend and be heard at any general meeting in which the nature of the matters on the agenda so requires, and the auditor has for any general meeting a right to receive notice, attend and be heard.

DIRECTORS AND OFFICERS

36. ELECTION OF DIRECTORS

- 36.1. The Board shall be elected or appointed in the first place at the statutory meeting of the Company and thereafter, except in the case of a casual vacancy, at the annual general meeting or at any special general meeting called for that purpose.
- 36.2. Only persons who are proposed or nominated in accordance with this Bye-law 36 shall be eligible for election as a Director. Subject to these Bye-laws, any Member, the Board or the nomination committee may propose any person for re-election or election as a Director in accordance with this Bye-law 36.

- 36.3. Where any person, other than a Director retiring at the meeting or a person proposed for re-election or election as a Director by the Board or the nomination committee, is to be proposed for election as a Director, notice must be given to the Company of the intention to propose him/her and of his/her willingness to serve as a Director. Whether a Director is to be elected at an annual general meeting or a special general meeting, that notice must be given not less than 21 days before the date of such general meeting.
- 36.4. The Company in general meeting may appoint a nomination committee (the “nomination committee”), comprising such number of persons as the Members may determine in general meeting from time to time, and members of the nomination committee shall be appointed by resolution of the Members. Members and the Board may suggest candidates for the election of Directors to the nomination committee provided such suggestions are in accordance with any nomination committee guidelines or corporate governance rules adopted by the Company in general meeting from time to time and Members, Directors and the nomination committee may also propose any person for election as a Director in accordance with Bye-laws 36.2 and 36.3. The nomination committee may or may not recommend any candidates suggested or proposed by any Member or the Board in accordance with any nomination committee guidelines or corporate governance rules adopted by the Company in general meeting from time to time. The nomination committee may provide recommendations on the suitability of candidates for the Board, as well as the remuneration of the members of the Board. The Members at any general meeting may stipulate guidelines for the duties of the nomination committee.
- 36.5. Where persons are validly proposed for re-election or election as a Director, the persons receiving the most votes (up to the number of Directors to be elected) shall be elected as Directors, and an absolute majority of the votes cast shall not be a prerequisite to the election of such Directors.
- 36.6. At any general meeting the Members may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.

37. NUMBER OF DIRECTORS

The Board shall consist of not less than three Directors or such number in excess thereof as the Members may determine.

38. TERM OF OFFICE OF DIRECTORS

Directors shall hold office for such term as the Members may determine or, in the absence of such determination, until the next annual general meeting or until their successors are elected or appointed or their office is otherwise vacated.

39. ALTERNATE DIRECTORS

- 39.1. At any general meeting, the Members may elect a person or persons to act as a Director in the alternative to any one or more Directors or may authorise the Board to appoint such Alternate Directors.

- 39.2. Unless the Members otherwise resolve, any Director may appoint a person or persons to act as a Director in the alternative to himself by notice deposited with the Secretary.
- 39.3. Any person elected or appointed pursuant to this Bye-law shall have all the rights and powers of the Director or Directors for whom such person is elected or appointed in the alternative, provided that such person shall not be counted more than once in determining whether or not a quorum is present.
- 39.4. An Alternate Director shall be entitled to receive notice of all Board meetings and to attend and vote at any such meeting at which a Director for whom such Alternate Director was appointed in the alternative is not personally present and generally to perform at such meeting all the functions of such Director for whom such Alternate Director was appointed.
- (a) An Alternate Director's office shall terminate -
- (i) in the case of an alternate elected or appointed by the Members or the Board:
 - (ii) on the occurrence in relation to the Alternate Director of any event which, if it occurred in relation to the Director for whom he/she was elected or appointed to act, would result in the termination of that Director's directorship; or
 - (iii) if the Director for whom he/she was elected or appointed in the alternative ceases for any reason to be a Director, provided that the alternate whose office terminates in these circumstances may be re-appointed by the Board as an alternate to the person appointed to fill the vacancy; and
- (b) in the case of an alternate appointed by a Director:
- (i) on the occurrence in relation to the Alternate Director of any event which, if it occurred in relation to his appointor, would result in the termination of the appointor's directorship; or
 - (ii) when the Alternate Director's appointor revokes the appointment by notice to the Company in writing specifying when the appointment is to terminate; or
 - (iii) if the Alternate Director's appointor ceases for any reason to be a Director.

40. REMOVAL OF DIRECTORS

- 40.1. Subject to any provision to the contrary in these Bye-laws, the Members entitled to vote for the election of Directors may, at any special general meeting convened and held in accordance with these Bye-laws, remove a Director provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director not less than 14 days before the meeting and at such meeting the Director shall be entitled to be heard on the motion for such Director's removal.
- 40.2. If a Director is removed from the Board under this Bye-law the Members may fill the vacancy at the meeting at which such Director is removed. In the absence of such election or appointment, the Board may fill the vacancy.

41. VACANCY IN THE OFFICE OF DIRECTOR

41.1. The office of Director shall be vacated if the Director:

- (a) is removed from office pursuant to these Bye-laws or is prohibited from being a Director by law;
- (b) is or becomes bankrupt, or makes any arrangement or composition with his creditors generally;
- (c) is or becomes of unsound mind or dies; or
- (d) resigns his office by notice to the Company.

41.2. The Members general meeting or the Board shall have the power to appoint any person as a Director to fill a vacancy on the Board occurring as a result of the death, disability, disqualification or resignation of any Director or as a result of an increase in the size of the Board and to appoint an Alternate Director to any Director so appointed.

42. REMUNERATION OF DIRECTORS

The remuneration (if any) of the Directors shall be determined by the Company in general meeting and shall be deemed to accrue from day to day. The Directors may also be paid all travel, hotel and other expenses properly incurred by them in attending and returning from Board meetings, meetings of any committee appointed by the Board or general meetings, or in connection with the business of the Company or their duties as Directors generally.

43. DEFECT IN APPOINTMENT

All acts done in good faith by the Board, any Director, a member of a committee appointed by the Board, any person to whom the Board may have delegated any of its powers, or any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or person acting as aforesaid, or that he was, or any of them were, disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or act in the relevant capacity.

44. DIRECTORS TO MANAGE BUSINESS

The business of the Company shall be managed and conducted by the Board. In managing the business of the Company, the Board may exercise all such powers of the Company as are not, by the Act or by these Bye-laws, required to be exercised by the Company in general meeting in the United Kingdom.

45. POWERS OF THE BOARD OF DIRECTORS

The Board may:

- (a) appoint, suspend, or remove any manager, secretary, clerk, agent or employee of the Company and may fix their remuneration and determine their duties;

- (b) exercise all the powers of the Company to borrow money and to mortgage or charge or otherwise grant a security interest in its undertaking, property and uncalled capital, or any part thereof, and may issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or any third party;
- (c) appoint one or more Directors to the office of managing director or chief executive officer of the Company, who shall, subject to the control of the Board, supervise and administer all of the general business and affairs of the Company;
- (d) appoint a person to act as manager of the Company's day-to-day business and may entrust to and confer upon such manager such powers and duties as it deems appropriate for the transaction or conduct of such business;
- (e) by power of attorney, appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be an attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such period and subject to such conditions as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions so vested in the attorney;
- (f) procure that the Company pays all expenses incurred in promoting and incorporating the Company and listing the shares of the Company;
- (g) delegate any of its powers (including the power to sub-delegate) to a committee of one or more persons appointed by the Board which may consist partly or entirely of non-Directors, provided that every such committee shall conform to such directions as the Board shall impose on them and provided further that the meetings and proceedings of any such committee shall be governed by the provisions of these Bye-laws regulating the meetings and proceedings of the Board, so far as the same are applicable and are not superseded by directions imposed by the Board;
- (h) delegate any of its powers (including the power to sub-delegate) for a specific purpose to any person on such terms and in such manner as the Board may see fit, including any restrictions that the Board may determine at the time of delegation;
- (i) present any petition and make any application in connection with the liquidation or reorganisation of the Company;
- (j) in connection with the issue of any share, pay such commission and brokerage as may be permitted by law;
- (k) authorise any company, firm, person or body of persons to act on behalf of the Company for any specific purpose and in connection therewith to execute any deed, agreement, document or instrument on behalf of the Company; and

- (l) take all necessary or desirable actions within its control to ensure that the Company is not deemed to be a Controlled Foreign Company as such term is defined pursuant to Norwegian tax legislation.

46. REGISTER OF DIRECTORS AND OFFICERS

The Board shall cause to be kept in one or more books at the registered office of the Company a Register of Directors and Officers and shall enter therein the particulars required by the Act.

47. APPOINTMENT OF OFFICERS

The Board may appoint such Officers (who may or may not be Directors) as the Board may determine for such terms as the Board deems fit.

48. APPOINTMENT OF SECRETARY

The Secretary shall be appointed by the Board from time to time for such term as the Board deems fit.

49. DUTIES OF OFFICERS

The Officers shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Board from time to time.

50. REMUNERATION OF OFFICERS

The Officers shall receive such remuneration as the Board may determine.

51. CONFLICTS OF INTEREST

51.1. Any Director, or any Director's firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company and such Director or such Director's associated firm, partner or company shall be entitled to remuneration as if such Director were not a Director. Nothing herein contained shall authorise a Director or Director's firm, partner or company to act as Auditor to the Company.

51.2. A Director who is directly or indirectly interested in a contract or proposed contract or arrangement with the Company shall declare the nature of such interest as required by the Act.

51.3. Following a declaration being made pursuant to this Bye-law, and unless disqualified by the chairman of the relevant Board meeting, a Director may vote in respect of any contract or proposed contract or arrangement in which such Director is interested and may be counted in the quorum for such meeting.

52. RELATED PARTY TRANSACTIONS

All transactions between the Company and its Members, Directors or Officers shall be based on arms' length terms and conditions. In the event of any material transactions between the Company and its Members, Directors or Officers, the Company shall arrange for a valuation to be obtained from a reputable and independent financial institution, auditor or accountancy firm.

53. INDEMNIFICATION AND EXCULPATION OF DIRECTORS AND OFFICERS

- 53.1. The Directors, Resident Representative, Secretary and other Officers (such term to include any person appointed to any committee by the Board) acting in relation to any of the affairs of the Company or any subsidiary thereof and the liquidator or trustees (if any) acting in relation to any of the affairs of the Company or any subsidiary thereof and every one of them (whether for the time being or formerly), and their heirs, executors and administrators (each of which an "indemnified party"), shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and no indemnified party shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to any of the indemnified parties. Each Member agrees to waive any claim or right of action such Member might have, whether individually or by or in the right of the Company, against any Director or Officer on account of any action taken by such Director or Officer, or the failure of such Director or Officer to take any action in the performance of his duties with or for the Company or any subsidiary thereof, PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to such Director or Officer.
- 53.2. The Company may purchase and maintain insurance for the benefit of any Director or Officer against any liability incurred by him under the Act in his capacity as a Director or Officer or indemnifying such Director or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Director or Officer may be guilty in relation to the Company or any subsidiary thereof.
- 53.3. The Company may advance moneys to a Director or Officer for the costs, charges and expenses incurred by the Director or Officer in defending any civil or criminal proceedings against him, on condition that the Director or Officer shall repay the advance if any allegation of fraud or dishonesty in relation to the Company is proved against him.

MEETINGS OF THE BOARD OF DIRECTORS

54. BOARD MEETINGS

- 54.1 All meetings of the Board shall be held in the United Kingdom.
- 54.2 Subject to Bye-law 54.1, the Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit. Subject to these Bye-laws, a resolution put to the vote at a Board meeting shall be carried by the affirmative votes of a majority of the votes cast and in the case of an equality of votes the resolution shall fail.

55. NOTICE OF BOARD MEETINGS

A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Board meeting. Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to such Director verbally (including in person or by telephone) or otherwise communicated or sent to such Director by post, electronic means or other mode of representing words in a visible form at such Director's last known address or in accordance with any other instructions given by such Director to the Company for this purpose.

56. ELECTRONIC PARTICIPATION IN MEETINGS

56.1 Subject to Bye-law 56.2, Directors may participate in any meeting by such telephonic, electronic or other communication facilities or means as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

56.2 Any meeting of the Board held by means of telephone, electronic or other communication facilities shall be initiated from the United Kingdom.

57. QUORUM AT BOARD MEETINGS

The quorum necessary for the transaction of business at a Board meeting shall be the majority of the Directors in office, and the majority of Directors present at a meeting of the Board must be individuals who are ordinarily resident in the United Kingdom.

58. BOARD TO CONTINUE IN THE EVENT OF VACANCY

The Board may act notwithstanding any vacancy in its number but, if and so long as its number is reduced below the number fixed by these Bye-laws as the quorum necessary for the transaction of business at Board meetings, the continuing Directors or Director may act for the purpose of (i) summoning a general meeting; or (ii) preserving the assets of the Company.

59. CHAIRMAN TO PRESIDE

Unless otherwise agreed by a majority of the Directors attending, the Chairman shall act as chairman at all meetings of the Board at which such person is present. If the Chairman is absent, a chairman shall be appointed or elected by the Directors present at the meeting.

60. WRITTEN RESOLUTIONS

A resolution signed by all the Directors, which may be in counterparts, shall be as valid as if it had been passed at a Board meeting duly called and constituted, such resolution to be effective on the date on which the resolution is signed by the last Director. For the purposes of this Bye-law only, "the Directors" shall not include an Alternate Director.

61. VALIDITY OF PRIOR ACTS OF THE BOARD

No regulation or alteration to these Bye-laws made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation or alteration

had not been made.

CORPORATE RECORDS

62. MINUTES

The Board shall cause minutes to be duly entered in books provided for the purpose:

- (a) of all elections and appointments of Officers;
- (b) of the names of the Directors present at each Board meeting and of any committee appointed by the Board; and
- (c) of all resolutions and proceedings of general meetings of the Members, Board meetings, meetings of managers and meetings of committees appointed by the Board.

63. PLACE WHERE CORPORATE RECORDS KEPT

Minutes prepared in accordance with the Act and these Bye-laws shall be kept by the Secretary at the registered office of the Company.

64. FORM AND USE OF SEAL

- 64.1. The Company may adopt a seal in such form as the Board may determine. The Board may adopt one or more duplicate seals for use in or outside Bermuda.
- 64.2. A seal may, but need not, be affixed to any deed, instrument or document, and if the seal is to be affixed thereto, it shall be attested by the signature of (i) any Director, or (ii) any Officer, or (iii) the Secretary, or (iv) any person authorised by the Board for that purpose.
- 64.3. A Resident Representative may, but need not, affix the seal of the Company to certify the authenticity of any copies of documents.

ACCOUNTS

65. RECORDS OF ACCOUNT

- 65.1. The Board shall cause to be kept proper records of account with respect to all transactions of the Company and in particular with respect to:
 - (a) all amounts of money received and expended by the Company and the matters in respect of which the receipt and expenditure relates;
 - (b) all sales and purchases of goods by the Company; and
 - (c) all assets and liabilities of the Company.
- 65.2. Such records of account shall be kept at the registered office of the Company or, subject to the Act, at such other place as the Board thinks fit and shall be available for inspection by the Directors during normal business hours.
- 65.3. Such records of account shall be retained for a minimum period of five years from the date on which they are prepared.

66. FINANCIAL YEAR END

The financial year end of the Company may be determined by resolution of the Board and failing such resolution shall be 31st December in each year.

AUDITS

67. ANNUAL AUDIT

Subject to any rights to waive laying of accounts or appointment of an Auditor pursuant to the Act, the accounts of the Company shall be audited at least once in every year.

68. APPOINTMENT OF AUDITOR

68.1. Subject to the Act, the Members shall appoint an auditor to the Company to hold office for such term as the Members deem fit or until a successor is appointed.

68.2. The Auditor may be a Member but no Director, Officer or employee of the Company shall, during his continuance in office, be eligible to act as an Auditor of the Company.

69. REMUNERATION OF AUDITOR

69.1. Save in the case of an Auditor appointed pursuant to Bye-law 73, the remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the Members may determine.

69.2. In the case of an Auditor appointed pursuant to Bye-law 73, the remuneration of the Auditor shall be fixed by the Board.

70. DUTIES OF AUDITOR

70.1. The financial statements provided for by these Bye-laws shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards.

70.2. The generally accepted auditing standards referred to in this Bye-law may be those of a country or jurisdiction other than Bermuda or such other generally accepted auditing standards as may be provided for in the Act. If so, the financial statements and the report of the Auditor shall identify the generally accepted auditing standards used.

71. ACCESS TO RECORDS

The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto, and the Auditor may call on the Directors or Officers for any information in their possession relating to the books or affairs of the Company.

72. FINANCIAL STATEMENTS

72.1. Subject to the following Bye-law, the financial statements and/or the auditor's report as required by the Act shall:

- (a) be laid before the Members at the annual general meeting; or
- (b) be received, accepted, adopted or approved by the Members by written resolution passed in accordance with these Bye-laws.

72.2 If all Members and Directors shall agree, either in writing or at a meeting, that in respect of a particular interval no financial statements and/or auditor's report thereon need be made available to the Members, and/or that no auditor shall be appointed then there shall be no obligation on the Company to do so.

73. VACANCY IN THE OFFICE OF AUDITOR

The Board may fill any casual vacancy in the office of the auditor.

VOLUNTARY WINDING-UP AND DISSOLUTION

74. WINDING-UP

If the Company shall be wound up the liquidator may, with the sanction of a resolution of the Members, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

CHANGES TO CONSTITUTION

75. CHANGES TO BYE-LAWS

No Bye-law may be rescinded, altered or amended and no new Bye-law may be made save in accordance with the Act and until the same has been approved by a resolution of the Board and by a resolution of the Members including the affirmative vote of not less than two-thirds of the shares and votes represented in the general meeting.

76. CHANGES TO MEMORANDUM OF ASSOCIATION

No alteration or amendment to the Memorandum of Association may be made save in accordance with the Act and until same has been approved by a resolution of the Board and by a resolution of the Members.

77. DISCONTINUANCE

The Board may exercise all the powers of the Company to discontinue the Company to a jurisdiction outside Bermuda pursuant to the Act.

Appendix 2 – The Bond Terms

BOND TERMS

FOR

Od fjell Technology Ltd FRN Senior Secured

NOK 1,700,000,000 bonds 2024/2028

ISIN NO0013326090

ISIN for Initial Temporary Bonds NO0013326074

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ATTACHMENT 1 COMPLIANCE CERTIFICATE

ATTACHMENT 2 RELEASE NOTICE – ESCROW ACCOUNT AND BOND ESCROW
ACCOUNT

ATTACHMENT 3 INTERCREDITOR PRINCIPLES

ATTACHMENT 4 AGREED SECURITY PRINCIPLES

BOND TERMS between	
ISSUER:	Odfjell Technology Ltd, an exempted company limited by shares incorporated under the laws of Bermuda with registration no. 202100770 and LEI code 529900ZYHGCPTAD1R169.
BOND TRUSTEE:	Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
DATED:	12 September 2024
These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.	

1. INTERPRETATION

1.1 Definitions

The following terms will have the following meanings:

"**Additional Bonds**" means the debt instruments issued under a Tap Issue, including any Temporary Bonds.

"**Agreed Security Principles**" means the security principles set out in Attachment 4 hereto.

"**Affiliate**" means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person with Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity with Decisive Influence over that person (directly or indirectly).

"**Annual Financial Statements**" means the audited consolidated annual financial statements of the Issuer for any financial year, prepared in accordance with GAAP, such financial statements to include an income statement, a balance sheet, and a statement of cash flows.

"**Attachment**" means any schedule, appendix or other attachment to these Bond Terms.

"**Bond Currency**" means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"**Bond Escrow Account**" means an account in the name of the Issuer established in the CSD to which all the Existing Bonds that shall be subject to the Existing Bondholders' Roll-Over shall be transferred to (once all conditions precedent referred to in paragraph (a) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been satisfied or waived), and

which shall be blocked so that no withdrawals can be made therefrom without the Bond Trustee's written consent and pledged on first priority as security for the Issuer's obligations under the Finance Documents.

"Bond Escrow Account Pledge" means a pledge over the Bond Escrow Account (according to Norwegian law).

"Bond Terms" means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

"Bond Trustee" means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

"Bond Trustee Fee Agreement" means the agreement entered into between the Issuer and the Bond Trustee relating among other things to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

"Bondholder" means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders' rights*).

"Bondholders' Meeting" means a meeting of Bondholders as set out in Clause 15 (*Bondholders' Decisions*).

"Bonds" means (i) the debt instruments issued by the Issuer pursuant to these Bond Terms including any Initial Temporary Bonds and any Additional Bonds, and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

"Business Day" means a day on which both the relevant CSD settlement system is open and the relevant settlement system for the Bond Currency is open.

"Business Day Convention" means that if the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Period will be extended to include the first following Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding Business Day (*Modified Following*).

"Call Option" has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

"Call Option Repayment Date" means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), paragraph (d) of Clause 10.3 (*Mandatory repurchase due to a Put Option Event*) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

"Cash and Cash Equivalents" means on any date, the aggregate equivalent in USD on such date of the then current market value of:

- (a) cash in hand or amounts standing to the credit of any current and/or on deposit accounts with a reputable bank; and
- (b) time deposits with reputable banks and certificates of deposit issued, and bills of exchange accepted, by a reputable bank,

in each case to which any Group Company is beneficially entitled at the time and to which any Group Company has free and unrestricted access and which is not subject to any security (other than in favour of the Secured Parties).

"Change of Control Event" means if:

- (a) any person or group of persons acting in concert, other than the Odfjell Family, gains Decisive Influence over the Issuer; or
- (b) the common Shares of the Issuer are delisted from the Oslo Stock Exchange.

"Closing Procedure" means a closing procedure for the release of funds from the issuance of the Bonds or the Escrow Account and redemption and discharge of the relevant Existing Bonds pursuant to the Existing Bondholders' Roll-Over, in each case agreed between the Bond Trustee (in consultation with its advisors, the RCF Creditors and the Hedge Counterparties (if any)) and the Issuer.

"Compliance Certificate" means a statement substantially in the form as set out in Attachment 1 hereto.

"Consolidated Net Income" means, for any period, for the Issuer and its Subsidiaries on a consolidated basis, net income (excluding extraordinary items), all as determined in accordance with GAAP, provided that:

- (a) net income shall be calculated without giving effect to the cumulative effect of a change in accounting principles;
- (b) net income of any person that is accounted for by the equity method of accounting will be included, but only to the extent of the amount of dividends or distributions paid in cash during the calculation period to the Issuer or any Subsidiary thereof; and
- (c) net losses of any person that is accounted for by the equity method of accounting will be included, but only to the extent of the value of any contributions to capital (in cash or in the form of other assets) made to such person by the Issuer or a Subsidiary thereof.

"CSD" means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS).

"Current Assets" means, on any date, the aggregate value of the assets of the Group (on a consolidated basis), which are treated as current assets in accordance with GAAP and undrawn and available amounts under revolving credit facilities (with more than 6 months to maturity).

"Current Liabilities" means, on any date, the aggregate amount of all liabilities of the Group (on a consolidated basis) which are treated as current liabilities in accordance with GAAP, but excluding the current portion of the Group's long term debt.

"Decisive Influence" means a person having, as a result of an agreement or through the ownership of Shares or interests in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

"Default Notice" has the meaning ascribed to such term in Clause 14.2 (*Acceleration of the Bonds*).

"Default Repayment Date" means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

"Distribution" means, in respect of the relevant entity, (a) any declaration, making or payment of any dividend or other distribution on or in respect of any of its Shares, (b) any redemption, repurchase, defeasance, retirement or repayment of its share capital and (c) any prepayment or repayment of any Subordinated Loan or any payment of any interest, fee, charge or premium accrued in respect thereof (other than through adding such amounts to the principal amount) provided, for the avoidance of doubt, that no repayment to Odfjell Drilling Ltd of any Tax Indemnification Liability in accordance with the terms thereof shall constitute a Distribution.

"EBITDA" means, in respect of the Relevant Period, the consolidated operating profit of the Group according to the latest Financial Report(s):

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any member of the Group;
- (b) before deducting any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any Group Company (calculated on a consolidated basis) in respect of that Relevant Period;
- (c) not including any interest receivable or accruing in favour of any Group Company;
- (d) excluding any Transaction Costs;
- (e) excluding any items (positive or negative) of a one off, non-recurring, extraordinary, unusual or exceptional nature not exceeding 10 per cent. of EBITDA for any Relevant Period;
- (f) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which are accounted for on a hedge account basis);

- (g) excluding the charge to profit represented by the expensing of stock options and costs and provisions relating to share incentive schemes of the Group or other long-term management incentive programs;
- (h) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (i) after deducting the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests;
- (j) after adding back or deducting, as the case may be, the Group's share of the profits or losses of entities which are not part of the Group;
- (k) after adding back any losses to the extent covered by any insurance;
- (l) before taking into account any Pension Items;
- (m) after adding back any loss attributable to the existing matter between Odfjell Technology (UK) Ltd. and HM Revenue and Customs in the UK related to employers' national insurance contribution;
- (n) after deducting any lease payments made by a Group Company in respect of any lease or hire purchase contract which would have been treated as an operating lease for accounting purposes in accordance with IFRS as applicable on 31 December 2018; and
- (o) after adding back any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group,

to be calculated on a four quarter rolling basis by reference to the amount of EBITDA derived from the relevant Financial Report(s) for the relevant four quarter period (and in any Compliance Certificate(s) relating thereto) with the following adjustments for the purpose of calculating the requirements forming part of any Incurrence Test or calculation of the Leverage Ratio (where no amount shall be included or excluded more than once):

- (a) for any period until the Issuer has published Financial Reports covering four full quarters after the disbursement from the Escrow Account, the EBITDA shall be based on Financial Reports covering any period after such disbursement as well as management pro-forma EBITDA figures for the Group for any part of the Relevant Period falling prior to such disbursement;
- (b) any asset, company, business or undertaking acquired or disposed of by the Group during such period, or after the end of that period but on or before the relevant testing date, shall be included or excluded (as applicable) pro forma for the entire period;
- (c) any asset, company, business or undertaking to be acquired with the proceeds from the new Financial Indebtedness to be incurred based on such Incurrence Test shall be included, pro forma, for the entire period; and

- (d) EBITDA, shall take into account reasonable cost savings synergies expected to be achieved for the Group during the coming 12 months as a result of an acquisition referred to in paragraphs (b) or (c) above, as reasonably projected by the Issuer and certified by the Group's chief financial officer provided that such cost savings synergies shall not exceed 10 per cent. of consolidated EBITDA for the Group (pro forma including the acquired entity) for the Relevant Period, and such savings synergies shall be given effect in the pro forma calculation of the applicable prior four quarter period. The aggregate increase in EBITDA pursuant to this paragraph (d) when aggregated with any items of a one off, non-recurring, extraordinary, unusual or exceptional nature covered by paragraph (e) of the definition of "EBITDA" in respect of the Relevant Period shall not (in total for the Group) exceed 15 per cent. of EBITDA in respect of that period.

"Existing Bondholders" means the bondholders under the Existing Bonds.

"Existing Bondholders' Roll-Over" means the process where the Existing Bondholders may apply for Bonds with an offer to settle the Bonds (i) in cash and/or (ii) in kind by delivery of Existing Bonds (and exchange their Existing Bonds (valued at 100% plus the Premium of their nominal amount) for Bonds with any residual necessary to settle the Bonds in full to be payable in cash), with accrued interest and Premium to be payable as set out in Clause 2.2 (*Settlement*).

"Existing Bonds" means the NOK 1,100,000,000 senior secured bond issue with ISIN NO0012439480 and ticker OTL01 maturing 23 February 2026.

"Escrow Account" means an account in the name of the Issuer held with DNB Bank ASA or another bank acceptable to the Bond Trustee, blocked and pledged on first priority as security for the Issuer's obligations under the Finance Documents.

"Escrow Account Pledge" means the pledge over the Escrow Account (according to Norwegian law), where the bank operating the account has waived any set-off rights.

"Event of Default" means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

"Exchange" means Oslo Børs (the Oslo Stock Exchange).

"Finance Documents" means these Bond Terms, the Bond Trustee Fee Agreement, the Intercreditor Agreement, any Transaction Security Document, any Security Agent Agreement and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

"Financial Indebtedness" means any indebtedness for or in respect of:

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;

- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the accounting standard in effect on 31 December 2018, be capitalised as an asset and booked as a corresponding liability in the balance sheet;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under GAAP are met);
- (f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under GAAP;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under GAAP; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

"Financial Reports" means the Annual Financial Statements and the Interim Accounts.

"Financial Support" means any loans, guarantees, Security securing obligations of another person or other financial assistance (whether actual or contingent).

"First Call Date" means the Interest Payment Date in September 2027 (3 years after the Issue Date).

"First Call Price" has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

"GAAP" means generally accepted accounting practices and principles in the country in which the Issuer is incorporated including, if applicable, IFRS.

"Group" means the Issuer and its Subsidiaries from time to time (each a **"Group Company"**).

"Guarantees" means the unconditional Norwegian law guarantee and indemnity (Norwegian: *"selvskyldnerkausjon"*) issued by each of the Guarantors in respect of the Secured Obligations.

"Guarantors" means each of Odfjell Technology Invest Ltd., Odfjell Platform Drilling AS and Odfjell Technology AS and any other Material Group Company being directly owned by the Issuer and **"Guarantor"** means any of them.

"Hedge Counterparties" means any financial institutions that are counterparties to a Group Company under any Permitted Hedging.

"IFRS" means the International Financial Reporting Standards and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time and to the extent applicable to the relevant financial statement.

"Incurrence Test" has the meaning ascribed to such term in Clause 13.15 (*Financial covenants*)

"Initial Bond Issue" means the amount to be issued on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"Initial Nominal Amount" means the Nominal Amount of each Bond on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"Initial Temporary Bonds" has the meaning ascribed to such term in Clause 2.2 (*Settlement*).

"Insolvent" means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

"Intercompany Loans" means any loan or credit made by any Group Company to any Material Group Company where (a) the loan or credit is scheduled to be outstanding for at least 12 months and (b) the principal amount thereof, or together with any other loans or credits between such parties scheduled to be outstanding for at least 12 months, is at least of USD 5,000,000 (or the equivalent amount in another currency) and which pursuant to the Intercreditor Agreement (or a separate subordination undertaking acceptable to the Security Agent) shall be fully subordinated (but may be serviced prior to an acceleration event) to the claims under the Finance Documents, provided that no Financial Indebtedness under any cash pooling arrangement shall constitute an Intercompany Loan.

"Intercreditor Agreement" means an intercreditor agreement in all material respects consistent with the Intercreditor Principles. The Bond Trustee shall be authorised to agree and execute the Intercreditor Agreement on behalf of the Bondholders.

"Intercreditor Principles" means the principles for the Intercreditor Agreement set out in Attachment 3 hereto.

"Interest Payment Date" means the last day of each Interest Period, the first Interest Payment Date being 16 December 2024 and the last Interest Payment Date being the Maturity Date.

"Interest Period" means, subject to adjustment in accordance with the Business Day Convention, the periods between 16 March, 16 June, 16 September and 16 December each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

"Interest Quotation Day" means, in relation to any period for which Interest Rate is to be determined, 2 Quotation Business Days before the first day of the relevant Interest Period.

"Interest Rate" means the percentage rate per annum which is the aggregate of the Reference Rate for the relevant Interest Period plus the Margin.

"Interim Accounts" means the unaudited consolidated quarterly financial statements of the Issuer for the 3-month period ending on each 31 March, 30 June and 30 September, prepared in accordance with GAAP, such accounts to include a profit and loss account, balance sheet, cash flow statement and management report.

"ISIN" means International Securities Identification Number.

"Issue Date" means 16 September 2024.

"Issuer" means the company designated as such in the preamble to these Bond Terms.

"Issuer's Bonds" means any Bonds which are owned by any Obligor or any Affiliate of an Obligor.

"Joint Bookrunners" means Danske Bank, Norwegian branch, Bryggetorget 4, 0150 Oslo, Norway and DNB Markets, a part of DNB Bank ASA, Dronning Eufemias gate 30, 0021 Oslo, Norway.

"Leverage Ratio" means the ratio of Net Interest Bearing Debt to EBITDA.

"Liquidity" means the aggregate of the total Cash and Cash Equivalent and undrawn and available amounts under revolving credit facilities (with more than 6 months to maturity), as per the balance sheet for the financial quarter preceding the relevant Quarter Date.

"Listing Failure Event" means:

- (a) that the Bonds (save for any Temporary Bonds) have not been admitted to listing on an Exchange within 9 months following the Issue Date, or
- (b) that the Temporary Bonds have not been admitted to listing on the Exchange where the other Bonds are listed within 6 months following the issue date for such Temporary Bonds.

"Longstop Date" means the date falling 90 days after the Issue Date.

"Make Whole Amount" means an amount equal to the sum of the present value on the Repayment Date of:

- (a) the First Call Price of the redeemed Bonds as if such payment originally should have taken place on the First Call Date; and
- (b) the remaining interest payments of the redeemed Bonds (less any accrued but unpaid interest on the redeemed Bonds as of the Call Option Repayment Date) to and including the First Call Date,

where the "present value" (in respect of both (a) and (b) above) shall be calculated by using a discount rate of 4.083 per cent. and where the Interest Rate applied for the remaining interest payments until the First Call Date shall be the applicable Interest Rate on the Call Option Repayment Date.

"Mandatory Redemption Event" means in the event that the conditions precedent set out in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have not been fulfilled within the Longstop Date.

"Mandatory Redemption Repayment Date" means the settlement date for the Mandatory Redemption Event pursuant to Clause 10.5 (*Mandatory early redemption due to a Mandatory Redemption Event*).

"Margin" means 3.50 per cent. p.a.

"Material Adverse Effect" means a material adverse effect on:

- (a) the Obligors' ability (taken as a whole) to perform and comply with their obligations under any Finance Documents, or
- (b) the validity or enforceability of any Finance Document.

"Material Group Company" means the Guarantors and any Subsidiary of the Issuer which is nominated as a Material Group Company by the Issuer pursuant to Clause 13.12 (*Nomination of Material Group Companies*).

"Maturity Date" means 16 September 2028, adjusted according to the Business Day Convention.

"Maximum Issue Amount" means the maximum amount that may be issued under these Bond Terms as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"Net Interest Bearing Debt" means at the relevant time, the aggregate amount of all obligations of the Group Companies, determined on a consolidated basis, for or in respect of interest bearing Financial Indebtedness but:

- (a) excluding any such obligations to any other Group Company;
- (b) excluding any such obligations in respect of any Subordinated Loan;

- (c) excluding any Bonds held by the Group;
- (d) excluding any indebtedness in respect of any derivative transaction;
- (e) including, in the case of any lease contracts that are Financial Indebtedness, their capitalised value; and
- (f) deducting the aggregate amount of Cash and Cash Equivalents,

and so that no amount shall be included or excluded more than once, provided that, for the purpose of calculating the requirements forming part of any Incurrence Test or calculation of the Leverage Ratio, the Net Interest Bearing Debt shall be calculated as at the relevant testing date with the following adjustments:

- (a) the full amount of the Financial Indebtedness in respect of which the Incurrence Test shall be made (after deducting any Financial Indebtedness which shall be refinanced at the time of incurrence of such new Financial Indebtedness) shall be added to the Net Interest Bearing Debt for the purpose of calculating the Leverage Ratio; and
- (b) any cash balance resulting from the incurrence of the Financial Indebtedness shall not reduce the Net Interest Bearing Debt.

"Net Proceeds" means the proceeds from the issuance of the Bonds (net of fees and legal cost of the Joint Bookrunners and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds).

"Net Working Capital" means Current Assets less Current Liabilities.

"Nominal Amount" means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

"Obligor" means the Issuer, the Guarantors and any other Group Company granting Security for the Bonds.

"Odfjell Family" means Helene Odfjell, her immediate family and heirs, direct descendants, any trust established for the benefit of any such person or any entity controlled directly or indirectly by any such person.

"Outstanding Bonds" means any Bonds not redeemed or otherwise discharged.

"Overdue Amount" means any amount required to be paid by an Obligor under the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

"Partial Payment" means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

"Paying Agent" means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

"Payment Date" means any Interest Payment Date or any Repayment Date.

"Permitted Distribution" means:

- (a) any Distribution made by the Issuer at any time provided that the Incurrence Test is satisfied if tested pro forma for the making of such Distribution; and
- (b) any Distribution by a Group Company (other than the Issuer) to the holders of its Shares on a pro rata basis,

provided in the case of (a) that no such Distribution is permitted if an Event of Default has occurred and is continuing or occurring as a direct consequence of such Distribution.

"Permitted Financial Indebtedness" means any Financial Indebtedness:

- (a) incurred pursuant to any of the Finance Documents;
- (b) arising under any Revolving Credit Facility;
- (c) incurred under the Existing Bonds (until repaid upon first disbursement from the Escrow Account and the Bond Escrow Account);
- (d) subject to compliance with the Incurrence Test, arising under any Tap Issue;
- (e) subject to compliance with the Incurrence Test, arising under any future unsecured bonds, notes or similar instruments or loans issued solely by the Issuer (with maturity date after the Maturity Date of the Bonds and without any Financial Support from any other Group Company);
- (f) incurred under leases of facilities, infrastructure, office space or equipment, including vehicles and computers, in the ordinary course of business;
- (g) arising under any Subordinated Loans;
- (h) arising under any future bid-, payment- and performance bonds, guarantees and letters of credit incurred by any Group Company in the ordinary course of business;
- (i) incurred by any Group Company under any Permitted Hedging;
- (j) arising under any Intercompany Loans and any unsecured intra-group loans between any Group Companies;
- (k) incurred under any advance or deferred purchase agreement on normal commercial terms by any member of the Group from any of its trading partners in the ordinary course of its trading activities;
- (l) incurred as a result of any Group Company acquiring another entity (or operations) and which is due to such acquired entity holding indebtedness, provided that such indebtedness is repaid, or otherwise refinanced within ninety (90) days of completion of such acquisition or transfer;

- (m) any Financial Indebtedness for the purpose of refinancing the Bonds in full provided that such Financial Indebtedness is fully cash collateralised until the Bonds are repaid;
- (n) any refinancing, amendment or replacement of any of the above from time to time;
- (o) any Tax Indemnification Liability; or
- (p) arising under any Financial Indebtedness not permitted by the preceding paragraphs and incurred by the Group in an aggregate outstanding principal amount which does not at any time exceed USD 10,000,000 (or its equivalent in other currencies).

"Permitted Financial Support" means any Financial Support:

- (a) granted under the Finance Documents;
- (b) granted in respect of the Revolving Credit Facility or in respect of any Permitted Hedging, subject to the Intercreditor Agreement;
- (c) granted by a Group Company to or for the benefit of any other Group Company or any joint venture or other entity in which a Group Company holds equity interests;
- (d) granted by the Issuer in respect of Financial Indebtedness incurred in accordance with paragraph (c) of the definition of "Permitted Financial Indebtedness";
- (e) for the benefit of third parties in the ordinary course of trading; or
- (f) arising under any Financial Support not permitted by the preceding paragraphs and incurred by the Group in an aggregate outstanding principal amount which does not at any time exceed USD 5,000,000 (or its equivalent in other currencies).

"Permitted Hedging" means any hedging agreements for non-speculative purposes in the ordinary course of business.

"Permitted Security" means any Security:

- (a) created under the Finance Documents;
- (b) granted in respect of the Revolving Credit Facility or in respect of any Permitted Hedging, subject to the Intercreditor Agreement;
- (c) arising by operation of law or in the ordinary course of trading;
- (d) as security over Cash and Cash Equivalents in respect of Permitted Hedging;
- (e) up until the disbursement of the net proceeds of the relevant funds from the Escrow Account and the redemption and discharge of the relevant Existing Bonds from the Bond Escrow Account, granted in respect of the Existing Bonds;
- (f) any netting or set-off arrangement arising in the ordinary course of banking arrangements (including, for the avoidance of doubt, consolidated cash management

arrangements) for the purposes of netting debit and credit balances between Group Companies;

- (g) any rental deposits or other Security in respect of any lease agreement in relation to real property entered into by a Group Company in the ordinary course of business and on normal commercial terms;
- (h) any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a Group Company in the ordinary course of business;
- (i) Security over its Shares in any joint venture, partnership or similar venture (whether or not incorporated) to secure such indebtedness of that joint venture, partnership or similar venture in favour of a participant or participants therein (including any financier or supplier to that joint venture, partnership or similar venture);
- (j) any deposits for any (current or potential) liabilities which are pre-funded by Odfjell Drilling Ltd (or any of its subsidiaries) under the Tax Indemnification Letter;
- (k) any security or deposit for or in relation to any litigation or the potential outcome thereof; and
- (l) Security not otherwise permitted by the preceding paragraphs securing indebtedness the outstanding amount of which does not exceed USD 5,000,000 (or its equivalent in other currencies) (on an aggregate level for the Group) at the time of which such Security is incurred.

"Premium" has the meaning ascribed to such term in Clause 2.2 (*Settlement*).

"Put Option" has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

"Put Option Event" means a Change of Control Event.

"Put Option Repayment Date" means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

"Quarter Date" means each 31 March, 30 June, 30 September and 31 December.

"Quotation Business Day" means a day on which Norges Bank's settlement system is open.

"RCF Creditors" means the finance parties under the RCF Finance Documents.

"RCF Finance Documents" means the agreement(s) for the Revolving Credit Facilities or other document entered into in relation thereto.

"Reference Rate" means NIBOR; (Norwegian Interbank Offered Rate) being;

- (a) the interest rate fixed for a period comparable to the relevant Interest Period published by Global Rate Set Systems (GRSS) at approximately 12:00 p.m. (Oslo time) on the Interest Quotation Day; or
- (b) if no screen rate is available for the interest rate under paragraph (a) for the relevant Interest Period:
 - (i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or
 - (ii) a rate for deposits in the Bond Currency for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or
- (c) if the interest rate under paragraph (a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to:
 - (i) any relevant replacement reference rate generally accepted in the market; or
 - (ii) such interest rate that best reflects the interest rate for deposits in the Bond Currency offered for the relevant Interest Period.

In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.

"Relevant Jurisdiction" means the country in which the Bonds are issued, being Norway.

"Relevant Period" means each period of four financial quarters ending on a Quarter Date.

"Relevant Record Date" means the date on which a Bondholder's ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders' Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Bond Trustee.

"Repayment Date" means any Call Option Repayment Date, the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date, the Mandatory Redemption Repayment Date or the Maturity Date.

"Reporting Date" means each date on which the Issuer reports its Financial Reports.

"Revolving Credit Facilities" means one or more credit facilities (each a **"Revolving Credit Facility"**) (including any working capital or overdraft facility, acquisition facility, any guarantee, performance bond, documentary or stand-by letter of credit facility or any other facility) to be provided to the Issuer and/or any other Obligor by one or more banks with an aggregate maximum commitment of the higher of (a) USD 50,000,000 (or the equivalent in any other currency) and (b) 50 per cent. of EBITDA at the time of commitment.

"Secured Obligations" means all present and future liabilities and obligations at any time due, owing or incurred by any Group Company to any of the Secured Parties under the Finance Documents, the RCF Finance Documents and the Hedge Finance Documents, both actual and contingent.

"Secured Parties" means the Security Agent, the Bond Trustee (on behalf of the Bondholders), the RCF Creditors and the Hedge Counterparties.

"Securities Trading Act" means the Securities Trading Act of 2007 no.75 of the Relevant Jurisdiction.

"Security" means a mortgage, charge, deed of trust, pledge, lien, security assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Security Agent" means the Bond Trustee (or any other party to be appointed) as security agent for and on behalf of the Secured Parties.

"Security Agent Agreement" means any agreement other than these Bond Terms whereby the Security Agent is appointed to act as such in the interest of the Bond Trustee (on behalf of itself and the Bondholders).

"Security Provider" means any person granting Transaction Security.

"Shares" means shares or other equity or ownership interests of any kind (including warrants and equity options), however classified in the relevant jurisdiction.

"Subordinated Loans" means any existing or future loan provided to the Issuer and provided such loans are fully subordinated to the Secured Obligations, and provided that no cash interest payment or repayment of principal shall occur prior to the Maturity Date other than to the extent permitted in accordance with Permitted Distributions or by way of conversion to equity.

"Subsidiary" means a person over which another person has Decisive Influence.

"Summons" means the call for a Bondholders' Meeting or a Written Resolution as the case may be.

"Tap Issue" has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"Tap Issue Addendum" has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"Tax Event Repayment Date" means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.4 (*Early redemption option due to a tax event*).

"Tax Indemnification Letter" means the indemnification letter issued by Odfjell Drilling Ltd to the Issuer and its relevant subsidiaries with respect to the potential tax treatment of group contributions received by Odfjell Offshore Ltd. in the period 2017 to 2020, whereby Odfjell

Drilling Ltd is holding the Issuer and the relevant subsidiaries harmless in relation to the outcome of such matter and costs of litigation.

"Tax Indemnification Liability" means any liability to Odfjell Drilling Ltd (or any of its subsidiaries) as a result of such entities having pre-funded any amount under the Tax Indemnification Letter, provided that such liabilities shall be forgiven and discharged without payment if and to the extent the funds pre-funded are required to be paid as a result of a final ruling that such tax liabilities or cost of litigation remain payable by the Group.

"Temporary Bonds" has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"Transaction Costs" means all fees, costs and expenses and taxes incurred by the Issuer or any other member of the Group in connection with the issuance of any Bonds, the establishment of any Revolving Credit Facility, and any future acquisitions (whether successfully completed or discontinued).

"Transaction Security" means the Security created or expressed to be created in favour of the Security Agent (on behalf of the Secured Parties) pursuant to the Transaction Security Documents.

"Transaction Security Documents" means, collectively, the Escrow Account Pledge, the Bond Escrow Account Pledge, all of the documents which shall be executed or delivered pursuant to Clause 2.5 (*Transaction Security*) and any other document expressed to create any Security by the relevant grantor thereof in respect of the Issuer's and the Guarantors' obligations, including but not limited to principal, interest, fees and expenses, under any of the Finance Documents.

"Voting Bonds" means the Outstanding Bonds less the Issuer's Bonds.

"Written Resolution" means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European Time unless otherwise stated;
- (e) references to a provision of "**law**" are a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a "**regulation**" includes any regulation, rule, official directive, request or guideline by any official body;

- (g) references to a "**person**" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (h) references to Bonds being "**redeemed**" means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being "**purchased**" or "**repurchased**" by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer's purchase of Bonds*),
- (j) references to persons "**acting in concert**" shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and
- (k) an Event of Default is "**continuing**" if it has not been remedied or waived.

2. THE BONDS

2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds up to NOK 1,700,000,000 (the "**Maximum Issue Amount**"). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of NOK 1,100,000,000. The Issuer may, provided that the conditions set out in Clause 6.3 (*Tap Issues*) are met, at one or more occasions issue Additional Bonds (each a "**Tap Issue**") until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a "**Tap Issue Addendum**").
- (b) If the Bonds are listed on an Exchange and there is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Bonds, the Additional Bonds may be issued under a separate ISIN (such Bonds referred to as the "**Temporary Bonds**"). Upon the approval of the prospectus, the Issuer shall (i) notify the Bond Trustee, the Exchange and the Paying Agent and (ii) ensure that the Temporary Bonds are converted into the ISIN for the Bonds.
- (c) The Bonds are denominated in Norwegian Kroner (NOK), being the legal currency of Norway.
- (d) The Initial Nominal Amount of each Bond is NOK 1,250,000.
- (e) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN, (ii) any Temporary

Bonds and (iii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.

- (f) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1 (*Authority of the Bondholders' Meeting*).

2.2 Settlement

- (a) The Bonds shall be settled:

- (i) in cash; and/or
 - (ii) in kind by delivery of Existing Bonds (when receipt of subscriptions from Existing Bondholders in accordance with the Existing Bondholders' Roll-Over),

to be specified in a separate application form and to be delivered at such time as the Joint Bookrunners shall determine (in due time before the Issue Date).

- (b) Applicants delivering Existing Bonds will receive the accrued interest on the Existing Bonds up until, but excluding, the Issue Date and a 3.05 per cent. (roll-over) premium (the "**Premium**"), each payable in cash at the Issue Date.
- (c) Bonds issued under item (a) (i) above will be issued under a separate ISIN, which will be the surviving ISIN for the Bond issue. Bonds issued under item (a) (ii) above will be issued with a temporary ISIN (the "**Initial Temporary Bonds**"). The ISIN for the Initial Temporary Bonds will be merged with the surviving ISIN in connection with disbursement of funds from the Escrow Account. The CSD and the Bond Trustee are authorised to carry out the aforesaid in the best practical way.
- (d) If a Mandatory Redemption Event occurs, the Issuer may settle the Initial Temporary Bonds by returning Existing Bonds valued at 101% (and with settlement of accrued and unpaid interest on such Initial Temporary Bonds in cash).

2.3 Tenor of the Bonds

The tenor of the Bonds is from and including the Issue Date to but excluding the Maturity Date.

2.4 Use of proceeds

The Issuer will use the Net Proceeds from the issuance of the Bonds, together with available cash:

- (a) to repay the Existing Bonds in full; and
- (b) for general corporate purposes of the Group.

2.5 Status of the Bonds

- (a) The Bonds shall constitute senior and unsubordinated obligations of the Issuer and will rank pari passu between themselves and at least pari passu with all other obligations of the Issuer (except such obligations which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

- (b) The Bonds will be secured on a pari passu basis with the other Secured Parties in respect of the Transaction Security subject to the super senior status of each Revolving Credit Facility and any Permitted Hedging as set out in the Intercreditor Agreement.
- (c) The RCF Creditors and Hedge Counterparties will receive (i) the proceeds from any enforcement of the Transaction Security and the Guarantees and certain distressed disposals and (ii) any payments following any other enforcement event in respect of any Transaction Security (collectively the "**Enforcement Proceeds**"), prior to the Bondholders and the Bond Trustee, but otherwise rank pari passu in right of payment with the Bonds, in accordance with the waterfall provisions of the Intercreditor Agreement, subject to obligations which are mandatorily preferred by law.

2.6 Transaction Security

As Security for the due and punctual fulfilment of the Secured Obligations, the Issuer shall procure that the following Transaction Security is granted in favour of the Security Agent on behalf of the Secured Parties (except for the Escrow Account Pledge and the Bond Escrow Account Pledge which only shall be made in favour of the Bond Trustee (on behalf of itself and the Bondholders)) within the times agreed in Clause 6 (*Conditions for Disbursement*):

Pre-Settlement Transaction Security:

- (i) the Escrow Account Pledge; and
- (ii) the Bond Escrow Account Pledge;

Pre-Disbursement Transaction Security:

- (iii) the Guarantees;
 - (iv) charges over all the shares issued by any Material Group Company and owned by any Group Company;
 - (v) assignment by way of a floating charge of the machinery and plant of each Material Group Company incorporated in Norway;
 - (vi) assignment by way of a floating charge of the inventory of each Material Group Company incorporated in Norway;
 - (vii) assignment of any Intercompany Loan; and
 - (viii) floating charges over all assets of non-Norwegian Material Group Companies (to the extent legally possible in the relevant jurisdiction).
- (b) The Pre-Settlement Transaction Security shall be established no later than two Business Days prior to the Issue Date. The Pre-Disbursement Transaction Security shall be established prior to the relevant release from the Escrow Account and Bond Escrow Account or in connection with such release in accordance with an agreed Closing Procedure as described below in Clause 6.2 (*Disbursement of the proceeds*).

- (c) All Transaction Security shall be established on first priority, subject to the Intercreditor Agreement and the Agreed Security Principles, liens arising by operation of law and any mandatory limitations arising under any applicable law.
- (d) The Escrow Account Pledge and the Bond Escrow Account Pledge shall be made in favour of the Bond Trustee (on behalf of itself and the Bondholders). The Pre-Disbursement Transaction Security shall be made in favour of the Security Agent on behalf of and in favour of the Secured Parties.
- (e) The Pre-Disbursement Transaction Security (but not the Pre-Settlement Transaction Security) shall be shared between the Secured Parties in accordance with the terms of the Intercreditor Agreement. To the extent legally necessary, a parallel debt concept shall be applied. The Bond Trustee will, to the extent permitted by applicable law, act as security agent on behalf of the Secured Parties in respect of the Pre-Disbursement Transaction Security and any other Security provided in accordance with the terms of the Intercreditor Agreement (unless otherwise set out in the Intercreditor Agreement for any Permitted Security not to be shared among the Secured Parties).
- (f) The Transaction Security and the Intercreditor Agreement shall be entered into on such terms and conditions as the Security Agent and the Bond Trustee in its discretion deems appropriate in order to create the intended benefit for the Secured Parties under the relevant document.
- (g) The Security Agent shall pursuant to the terms of the Intercreditor Agreement (i) release any Guarantees and Transaction Security over Shares or assets (i) which (directly or indirectly) are sold or otherwise disposed of in any merger, de-merger or disposal permitted in compliance with the Bond Terms, or (ii) in connection with any enforcement or insolvency for the avoidance of doubt, notwithstanding anything to the contrary in the relevant Transaction Security Document.

3. THE BONDHOLDERS

3.1 Bond Terms binding on all Bondholders

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

3.2 Limitation of rights of action

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.

- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

3.3 Bondholders' rights

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

4. ADMISSION TO LISTING

The Issuer shall ensure that:

- (a) the Bonds are listed on an Exchange within 9 months of the Issue Date and thereafter remain listed on an Exchange until the Bonds have been redeemed in full; and
- (b) any Temporary Bonds are listed on an Exchange within 6 months of the issue date for such Temporary Bonds.

5. REGISTRATION OF THE BONDS

5.1 Registration in the CSD

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

5.2 Obligation to ensure correct registration

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

5.3 Country of issuance

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

6. CONDITIONS FOR DISBURSEMENT

6.1 Conditions precedent for disbursement to the Issuer

- (a) Payment of the Net Proceeds from the issuance of the Bonds to the Escrow Account and transfer of the relevant Existing Bonds to the Bond Escrow Account shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:
 - (i) these Bond Terms duly executed by all parties hereto;
 - (ii) certified copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;
 - (iii) a certified copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the Issuer;
 - (iv) certified copies of the Issuer's memorandum of association and bye-laws and a copy of a certificate of compliance issued by Registrar of Companies in respect of the Issuer evidencing that the Issuer is validly existing;
 - (v) the Escrow Account Pledge and the Bond Escrow Account Pledge duly executed by all parties thereto and perfected in accordance with applicable law;
 - (vi) copies of the Issuer's latest Financial Reports (if any);
 - (vii) confirmation that the applicable prospectus requirements (ref the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
 - (viii) copies of any necessary governmental approval, consent or waiver (as the case may be) required at such time to issue the Bonds;
 - (ix) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
 - (x) confirmation of acceptance from any process agent;
 - (xi) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Joint Bookrunner in connection with the issuance of the Bonds;
 - (xii) the Bond Trustee Fee Agreement duly executed by all parties thereto; and
 - (xiii) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents).

- (b) The Net Proceeds from the issuance of the Bonds (on the Escrow Account) (or the relevant Existing Bonds released from the Bond Escrow Account) will not be disbursed to the Issuer unless the Bond Trustee has received or is satisfied that it will receive in due time (as determined by the Bond Trustee) prior to such disbursement to the Issuer each of the following documents, in form and substance satisfactory to the Bond Trustee:
- (i) a duly executed release notice from the Issuer, as set out in Attachment 2;
 - (ii) unless delivered under paragraph (a) above, as pre-settlement conditions precedent:
 - (A) certified copies of all necessary corporate resolutions of each Security Provider required to provide the Transaction Security and execute the Finance Documents to which it is a party;
 - (B) a certified copy of a power of attorney (unless included in the relevant corporate resolutions) from each Security Provider to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the relevant Obligor and any other company required to provide Transaction Security;
 - (C) certified copies of the articles of association (or equivalent constitutional document) and a full extract from the relevant company register in respect of each Security Provider evidencing that it is validly existing;
 - (iii) satisfactory documentation evidencing that the amount to be released shall be applied in accordance with Clause 2.3 (*Use of proceeds*);
 - (iv) the Transaction Security Documents duly executed by all parties thereto and evidence of the establishment and perfection of the Transaction Security;
 - (v) the relevant Finance Documents (unless delivered pre-settlement) in satisfactory form duly executed and perfected (as applicable);
 - (vi) satisfactory documentation evidencing that Existing Bonds will be repaid in full, and the Security granted by any Group Company for any amount outstanding thereunder will be released and discharged, directly following the release of funds from the Escrow Account and redemption and discharge of the relevant Existing Bonds from the Bond Escrow Account;
 - (vii) a statement from the Issuer confirming that no Event of Default has occurred and is continuing;
 - (viii) nomination by the Issuer of the Material Group Companies based on the last Financial Report; and

- (ix) legal opinions or other statements as may be required by the Bond Trustee, including in respect of corporate matters relating to the Obligors and the legality, validity and enforceability of the Finance Documents (unless delivered under paragraph (a) as pre-settlement conditions precedent).
- (c) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1, waive the requirements for documentation or decide that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

6.2 Disbursement of the proceeds

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee's confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to paragraph (c) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) above and/or subject to a Closing Procedure whereby perfection of the Transaction Security shall be established as soon as possible on or after the first release of funds from the Escrow Account and redemption and discharge of the relevant Existing Bonds from the Bond Escrow Account according to the terms of the Closing Procedure, meaning *inter alia* that any documents to be registered may be filed for registration subsequent to disbursement of the net proceeds from the issuance of the Bonds from the Escrow Account and redemption and discharge of the relevant Existing Bonds from the Bond Escrow Account.

6.3 Tap Issues

- (a) The Issuer may issue Additional Bonds if:
 - (i) a Tap Issue Addendum has been duly executed by all parties thereto;
 - (ii) the representations and warranties contained in Clause 7 (*Representations and Warranties*) of these Bond Terms are true and correct in all material respects and repeated by the Issuer as at the date of issuance of such Additional Bonds;
 - (iii) confirmation from the Issuer that the Incurrence Test for the Tap Issue is complied with;
 - (iv) copies of corporate resolutions required for the Tap Issue and any power of attorney or other authorisation required for execution of the Tap Issue Addendum and any other Finance Documents; and
 - (v) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of the Tap Issue Addendum and any other Finance Documents (if applicable)).
- (b) The Bond Trustee may (at its sole discretion and in each case) waive or postpone the delivery of certain conditions precedent, and the Bond Trustee may on behalf of the Bondholders agree on the Closing Procedure with the Issuer.

7. REPRESENTATIONS AND WARRANTIES

The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and Warranties*), in respect of itself and in respect of each Group Company to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) on the date of these Bond Terms;
- (b) on the Issue Date;
- (c) on each date of disbursement of proceeds from the Escrow Account and redemption and discharge of the relevant Existing Bonds from the Bond Escrow Account; and
- (d) on the date of issuance of any Additional Bonds.

7.1 Status

It is a limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

7.2 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

7.3 Valid, binding and enforceable obligations

These Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

7.4 Non-conflict with other obligations

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

7.5 No Event of Default

- (a) No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its

Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

7.6 Authorisations and consents

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations or registrations required:

- (a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and
- (b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

7.7 Litigation

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

7.8 Financial Reports

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with GAAP, consistently applied.

7.9 No Material Adverse Effect

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

7.10 No misleading information

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

7.11 No withholdings

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents.

7.12 Pari passu ranking

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party ranks as set out in Clause 2.5 (*Status of the Bonds*).

7.13 Security

No Security exists over any of the present assets of any Group Company in conflict with these Bond Terms.

8. PAYMENTS IN RESPECT OF THE BONDS

8.1 Covenant to pay

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD on the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

8.2 Default interest

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bonds Terms will accrue at the Interest Rate plus 1 percentage point per annum. In the event the Listing Failure Event relates to Temporary Bonds, the Interest Rate will only be increased in respect of such Temporary Bonds.

8.3 Partial Payments

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:

- (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee (and any Security Agent);
 - (ii) secondly, towards accrued interest due but unpaid; and
 - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations;
- (i) if the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*); or
 - (ii) if a resolution according to Clause 15 (*Bondholders' Decisions*) has been made.

8.4 Taxation

- (a) Each Obligor is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Obligors shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
 - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
 - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.
- (d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

8.5 Currency

- (a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant

Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within 5 Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

8.6 Set-off and counterclaims

No Obligor may apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

9. INTEREST

9.1 Calculation of interest

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.
- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee on behalf of the Issuer, who will notify the Issuer and the Paying Agent and, if the Bonds are listed, the Exchange, of the new Interest Rate and the actual number of calendar days for the next Interest Period.

9.2 Payment of interest

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

10. REDEMPTION AND REPURCHASE OF BONDS

10.1 Redemption of Bonds

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount.

10.2 Voluntary early redemption - Call Option

- (a) The Issuer may redeem (in whole or in part) the Outstanding Bonds (the "**Call Option**") on any Business Day from and including:
 - (i) the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount;

- (ii) the First Call Date to, but not including, the Interest Payment Date in March 2028 at a price equal to 102.058 per cent. of Nominal Amount (the "**First Call Price**"); and
 - (iii) the Interest Payment Date in March 2028 to, but not including, the Maturity Date at a price equal to 101.029 per cent.
- (b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- (c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date.
- (d) Any notice given in respect of a Call Option may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent, in which case the exercise of the Call Option will be automatically cancelled unless such conditions precedent have been satisfied or waived at least 3 Business Days prior to such Call Option Repayment Date.
- (e) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

10.3 Mandatory repurchase due to a Put Option Event

- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the "**Put Option**") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount.
- (b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.3 (*Put Option Event*). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.
- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5th Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

10.4 Early redemption option due to a tax event

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond

Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

10.5 Mandatory early redemption due to a Mandatory Redemption Event

Upon a Mandatory Redemption Event, the Issuer shall, within two Business Days after the Mandatory Redemption Event (with the Longstop Date being the record date), redeem (i) all the Bonds (originally subscribed and paid for in cash) at a price equal to 101.00 per cent. of the Nominal Amount, and (ii) the Initial Temporary Bonds at a price of 101.00 per cent. of the Nominal Amount (and subject to the further terms set out in Clause 2.2 (*Settlement*) in both events (i) and (ii) plus accrued and unpaid interest on the Bonds to be redeemed), by inter alia applying the funds deposited on the Escrow Account and the Existing Bonds deposited on the Bond Escrow Account for such redemption.

11. PURCHASE AND TRANSFER OF BONDS

11.1 Group's purchase of Bonds

The Issuer and the Group Companies may purchase and hold Bonds and such Bonds may in the Issuer's discretion be retained or sold, including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*), but not discharged.

11.2 Restrictions

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

12. INFORMATION UNDERTAKINGS

12.1 Financial Reports

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 4 months after the end of the financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 2 months after the end of the relevant interim period.

12.2 Requirements as to Financial Reports

- (a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer, the chief financial officer or general manager of the Issuer, certifying inter alia that the Financial Reports fairly represent its financial condition as at the date of the relevant Financial Report and setting out (in reasonable detail) computations evidencing compliance with Clause 13.15 (*Financial covenants*) as at such date.
- (b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using the GAAP consistently applied.

12.3 Put Option Event

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that a Put Option Event has occurred.

12.4 Listing Failure Event

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. However, no Event of Default shall occur if the Issuer fails (i) to list the Bonds in accordance with Clause 4 (*Admission to Listing*) or (ii) to inform of such Listing Failure Event, and such failure shall result in the accrual of default interest in accordance with paragraph (c) of Clause 8.2 (*Default interest*) for as long as such Listing Failure Event is continuing.

12.5 Information: Miscellaneous

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and

- (g) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

13. GENERAL AND FINANCIAL UNDERTAKINGS

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13.

13.1 Authorisations

The Issuer shall, and shall procure that each other Group Company will, obtain, maintain and comply with the terms of any authorisation, approval, licence and consent required for the conduct of its business as carried out from time to time except where the failure to so comply would not have a Material Adverse Effect.

13.2 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, comply with all laws and regulations to which it may be subject from time to time except where the failure to so comply would not have a Material Adverse Effect.

13.3 Continuation of business

The Issuer shall procure that no material change is made to the general nature of the business from that carried on by the Group at the Issue Date provided (a) any disposal of any Group Company, assets, business or business segment, which is otherwise permitted by the Bond Terms and (b) any new business reasonably related to or extending that carried on at the Issuer Date or otherwise entered into by the Group as part of the energy transition, shall in each case be permitted hereby.

13.4 Corporate status

The Issuer shall not change its type of organization or jurisdiction of incorporation.

13.5 Mergers and de-mergers

The Issuer shall not, and shall procure that no other Obligor will, carry out:

- (a) any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Obligor with any other person other than with a Group Company; or
- (b) any demerger or other corporate reorganisation having the same or equivalent effect as a demerger involving the Issuer and any Obligor;

if such merger, demerger, combination or reorganisation would have a Material Adverse Effect.

13.6 Financial Indebtedness

The Issuer shall not, and shall ensure that no other Group Company shall, incur, create, maintain or permit to subsist any Financial Indebtedness other than Permitted Financial Indebtedness.

13.7 Negative pledge

The Issuer shall not, and shall ensure that no other Group Company shall, create or permit to subsist any Security over any of its assets or enter into arrangements having a similar effect other than Permitted Security.

13.8 Financial support

The Issuer shall not, and shall ensure that no other Group Company shall, grant any Financial Support to or for the benefit of any person, other than Permitted Financial Support.

13.9 Disposals

The Issuer shall not, and shall ensure that no other Group Company will sell or otherwise dispose of all or substantial part of its assets or operations unless (i) the transaction is carried out at fair market value and (ii) such transaction would not have a Material Adverse Effect.

13.10 Maintain Security Documents

The Issuer shall ensure that each Obligor shall, except if released as a result of a disposal not prohibited by the Bond Terms, maintain the Transaction Security Documents to which it is a party in full force and effect, and do all acts which may be necessary to ensure that Transaction Security created or contemplated thereunder remains duly created, enforceable and perfected with first priority ranking, creating the Security contemplated thereunder, at the expense of the relevant Group Company.

13.11 Arm's length transactions

The Issuer shall not, and shall ensure that no other Group Company will, enter into any transaction with any person except on arm's length terms.

13.12 Nomination of Material Group Companies

(a) The Issuer shall once every year (simultaneously with the delivery to the Bond Trustee of the Annual Financial Statements) or at the date of delivery of the first Interim Accounts following completion of any acquisition of any company and at the date of delivery of the first Interim Accounts following completion of any merger or de-merger of any Material Group Company in accordance with Clause 13.5 (*Mergers and de-mergers*) nominate as Material Group Companies:

- (i) each such Group Company which (on a consolidated basis in the case of a Group Company which itself has Subsidiaries) has a total EBITDA or Total Assets which represent more than ten (10) per cent. of the total EBITDA or Total Assets of the Group (excluding goodwill and intra-group transfers) on a consolidated basis, based on the Relevant Period; and
- (ii) such Group Companies as are necessary to ensure that the Issuer and the Material Group Companies (calculated on an unconsolidated basis and excluding all intra-Group items and investments in Subsidiaries of any Group Company) in aggregate account for at least eighty-five (85) per cent. of EBITDA and the Total Assets of the Group (calculated on a consolidated basis), and the Issuer shall, and shall ensure that each such Material Group Company no later than 90 days after its

nomination provide Transaction Security in accordance with the Transaction Security Documents.

- (b) The identity of the Material Group Companies nominated by the Issuer in accordance with this Clause 13.12 shall be listed in the Compliance Certificate to be provided to the Bond Trustee in connection with the provision of the relevant Financial Statements.

13.13 Distributions

The Issuer shall not, and shall ensure that no other Group Company will, make any Distribution other than any Permitted Distribution.

13.14 Subsidiary Distributions

The Issuer shall not permit any of its Subsidiaries to create or permit to exist any contractual obligation (or encumbrance) restricting the right of any Subsidiary to pay dividends or make other distributions to its shareholders, other than creating or permitting to subsist such contractual obligation which is not reasonably likely to prevent the Issuer from complying with its payment obligations under these Bond Terms.

13.15 Financial covenants

- (a) Subject to paragraph (c) below, the Issuer shall, on a consolidated basis, comply with the following financial covenants for as long as any amount is outstanding under these Bond Terms:
 - (i) Liquidity of minimum USD 15 million of which no less than USD 5 million in Cash or Cash Equivalents;
 - (ii) Leverage Ratio of maximum 4.00x; and
 - (iii) Net Working Capital to be above zero.
- (b) The Issuer undertakes to comply with the requirements at all times, in each case with such compliance to be tested with reference to each Quarter Date (a "**Calculation Date**").
- (c) If the Issuer fails (or would otherwise fail) to comply with any Financial Covenant as at any Calculation Date, and the Issuer receives cash proceeds in the form of new equity or a Subordinated Loan (the "**Cure Amount**") within 20 Business Days of the date on which the Annual Report or the Interim Reports are due hereunder, then such Financial Covenant shall be recalculated after giving effect to the following pro forma adjustments:
 - (i) Liquidity: Cash and Cash Equivalents on that Calculation Date shall be increased by an amount equal to the Cure Amount;
 - (ii) Leverage Ratio: EBITDA on that Calculation Date shall be increased by an amount equal to the Cure Amount; and
 - (iii) Current Assets: Current Assets on that Calculation Date shall be increased by an amount equal to the Cure amount,

("Equity Cure") and if, after giving effect to the foregoing recalculations, the Issuer is in compliance with the requirements of all Financial Covenants, the Issuer shall be deemed to have satisfied the requirements of such Financial Covenants with reference to such Calculation Date as though there had been no failure to comply with such requirement, and the applicable breach or default of such Financial Covenants which had occurred shall be deemed to have been prevented or cured. Any Cure Amount shall be included in the EBITDA calculation for the subsequent three quarterly reporting periods.

- (d) The Issuer shall be limited to a maximum of one Equity Cure of actual failure to satisfy the Financial Covenants during the term of the Bonds.

13.16 Incurrence Test

- (a) The Incurrence Test is met if;
 - (i) in relation to incurrence of any Financial Indebtedness, the Leverage Ratio is less than 2.50x;
 - (ii) in relation to the making of any Distributions, (a) the Leverage Ratio is less than 1.50x, and (b) Liquidity is higher than USD 25 million of which no less than USD 15 million in Cash or Cash Equivalents,

and in each case, no Event of Default is continuing or would result from the event for which the Incurrence Test is applied.

- (b) The Issuer shall deliver to the Bond Trustee evidence of compliance with the Incurrence Test to be certified by a Compliance Certificate, which shall include calculation and figures evidencing compliance with the Incurrence Test.
- (c) The Incurrence Test shall be:
 - (i) calculated at a testing date determined by the Issuer falling no earlier than 30 days prior to the event in respect of which the Incurrence Test shall be made, and;
 - (ii) tested with reference to the latest available Financial Report(s) and any compliance certificate(s) relating thereto; and
 - (iii) calculated in accordance with GAAP, accounting practices and financial reference periods consistent with those applied in its previous Financial Reports published (or delivered) pursuant to the terms hereof.

14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

14.1 Events of Default

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

- (a) *Non-payment*

The Issuer or an Obligor fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within 5 Business Days following the original due date; or
- (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within 5 Business Days following the original due date.

(b) *Breach of other obligations*

The Issuer or a Material Group Company does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within 20 Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

(c) *Misrepresentation*

Any representation, warranty or statement (including statements in Compliance Certificates) made by the Issuer or a Material Group Company under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made.

(d) *Cross default*

If for the Issuer or a Material Group Company

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period;
- (ii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described), or
- (iii) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of non-payment, insolvency, insolvency proceedings and creditor's process; or
- (iv) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of any other defaults (however described, including breach of any maintenance covenants),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of USD 10,000,000 (or the equivalent thereof in any other currency).

(e) *Insolvency and insolvency proceedings*

The Issuer or a Material Group Company:

- (i) is Insolvent; or

- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
 - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganisation; or
 - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its payment obligations under these Bond Terms; or
 - (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
 - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in 14.1 (d) (*Cross default*) above; or
 - (E) for paragraphs (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company.

However, this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement.

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of the Issuer or a Material Group Company having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above and is not discharged within 20 Business Days.

(g) *Unlawfulness*

It is or becomes unlawful for the Issuer or a Material Group Company to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i) the ability of the Issuer or a Material Group Company to perform its obligations under these Bond Terms; or
- (ii) the ability of the Bond Trustee or any Security Agent to exercise any material right or power vested to it under the Finance Documents.

14.2 Acceleration of the Bonds

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice to the Issuer:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise (or direct the Security Agent to exercise) any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

14.3 Bondholders' instructions

The Bond Trustee shall serve a Default Notice pursuant to Clause 14.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

14.4 Calculation of claim

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*), as applicable at the following dates (and regardless of the Default Repayment Date);

- (a) for any Event of Default arising out of a breach of Clause 14.1 (*Events of Default*) paragraph (a) (*Non-payment*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and
- (b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee.

However, if the situations described in paragraph (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

15. BONDHOLDERS' DECISIONS

15.1 Authority of the Bondholders' Meeting

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.

- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a)(i) and (ii) of Clause 17.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

15.2 Procedure for arranging a Bondholders' Meeting

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
 - (i) the Issuer;
 - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
 - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
 - (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than 10 Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.

- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt regarding whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

15.3 Voting rules

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15, a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

15.4 Repeated Bondholders' Meeting

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within 10 Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

15.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a

Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.

- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 15.3 (*Voting rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
 - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*); or
 - (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5,shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
 - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
 - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority, which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons (the "**Voting Period**").
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or (f) of Clause 15.1 (*Authority of Bondholders' Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.

- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1(*Authority of Bondholders' Meeting*).

16. THE BOND TRUSTEE

16.1 Power to represent the Bondholders

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

16.2 The duties and authority of the Bond Trustee

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer or any other Material Group Company unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to

implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.

- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
 - (i) complying with instructions of the Bondholders; or
 - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

16.3 Equality and conflicts of interest

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

16.4 Expenses, liability and indemnity

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.

- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
 - (i) acting in accordance with advice from or opinions of reputable external experts; or
 - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.
- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any Finance Document which the Bond Trustee reasonably believes may constitute or lead to a breach of any Finance Document or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to the Issuer or any Material Group Company, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee or the Security Agent in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from

other funds received from the Issuer or any other person, irrespective of such funds being subject to Transaction Security, and to set-off and cover any such costs and expenses from those funds.

- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

16.5 Replacement of the Bond Trustee

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5, initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5. The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.
- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

16.6 Security Agent

- (a) The Bond Trustee is appointed to act as Security Agent for the Bonds, unless any other person is appointed. The main functions of the Security Agent may include holding Transaction Security on behalf of the Secured Parties and monitoring compliance by the Issuer and other relevant parties of their respective obligations under the Transaction Security Documents with respect to the Transaction Security on the basis of information made available to it pursuant to the Finance Documents.

- (b) The Bond Trustee shall, when acting as Security Agent for the Bonds, at all times maintain and keep all certificates and other documents received by it, that are bearers of right relating to the Transaction Security in safe custody on behalf of the Bondholders. The Bond Trustee shall not be responsible for or required to insure against any loss incurred in connection with such safe custody.
- (c) Before the appointment of a Security Agent other than the Bond Trustee, the Issuer shall be given the opportunity to state its views on the proposed Security Agent, but the final decision as to appointment shall lie exclusively with the Bond Trustee.
- (d) The functions, rights and obligations of the Security Agent may be determined by a Security Agent Agreement to be entered into between the Bond Trustee and the Security Agent, which the Bond Trustee shall have the right to require the Issuer, the Obligors and any other party to a Finance Document to sign as a party, or, at the discretion of the Bond Trustee, to acknowledge. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters, whether or not a separate Security Agent Agreement has been entered into.
- (e) The provisions set out in Clause 16.4 (*Expenses, liability and indemnity*) shall apply *mutatis mutandis* to any expenses and liabilities of the Security Agent in connection with the Finance Documents.

17. AMENDMENTS AND WAIVERS

17.1 Procedure for amendments and waivers

- (a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:
 - (i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
 - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
 - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).
- (b) Any changes to these Bond Terms necessary or appropriate in connection with the appointment of a Security Agent other than the Bond Trustee shall be documented in an amendment to these Bond Terms, signed by the Bond Trustee (in its discretion). If so desired by the Bond Trustee, any or all of the Transaction Security Documents shall be amended, assigned or re-issued, so that the Security Agent is the holder of the relevant Security (on behalf of the Bondholders). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.

17.2 Authority with respect to documentation

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

17.3 Notification of amendments or waivers

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17, setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a)(i) of Clause 17.1 (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

18. MISCELLANEOUS

18.1 Limitation of claims

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

18.2 Access to information

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

18.3 Notices, contact information

- (a) Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.

- (b) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (c) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.
- (d) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter or e-mail. Any such notice or communication will be deemed to be given or made as follows:
 - (i) if by letter, when delivered at the address of the relevant party;
 - (ii) if by e-mail, when received; and
 - (iii) if by publication on a relevant information platform, when published.
- (e) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address and telephone and contact persons.
- (f) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
 - (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
 - (ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and
 - (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

18.4 Defeasance

- (a) Subject to paragraph (b) below and provided that:
 - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the "**Defeasance Amount**") is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the "**Defeasance Account**");
 - (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the "**Defeasance Pledge**"); and

- (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,

then;

- (A) the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), Clause 12.3 (*Put Option Event*), Clause 12.5 (*Information: miscellaneous*) and Clause 13 (*General and Financial Undertakings*);
 - (B) any Transaction Security shall be released and the Defeasance Pledge shall be considered replacement of the Transaction Security; and
 - (C) any Obligor shall be released from any Guarantee or other obligation applicable to it under any Finance Document.
- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.
 - (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 18.4 may not be reversed.

19. GOVERNING LAW AND JURISDICTION

19.1 Governing law

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

19.2 Main jurisdiction

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

19.3 Alternative jurisdiction

Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any other Obligor or any of their respective assets in any court in any jurisdiction; and

- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.



19.4 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, the Issuer:
 - (i) irrevocably appoints Odfjell Global Business Services AS as its agent for service of process in relation to any proceedings in connection with these Bond Terms; and
 - (ii) agrees that failure by an agent for service of process to notify the Issuer of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Issuer must immediately (and in any event within 10 Business Days of such event taking place) appoint another agent on terms acceptable to the Bond Trustee. Failing this, the Bond Trustee may appoint another agent for this purpose.

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These Bond Terms have been executed by way of electronic signatures.

SIGNATURES:

<p>The Issuer:</p> <p>ODFJELL TECHNOLOGY LTD</p> <p>DocuSigned by:  Jone Torstensen ... 287CB039D17E44E... ..</p> <p>By: Jone Torstensen</p> <p>Position: Authorised signatory</p>	<p>As Bond Trustee and Security Agent:</p> <p>NORDIC TRUSTEE AS</p> <p>DocuSigned by:  Lars Erik Lærum 847A306451CB461... ..</p> <p>By: Lars Erik Lærum</p> <p>Position: Authorised signatory</p>
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**ATTACHMENT 1
COMPLIANCE CERTIFICATE**

[date]

Odfjell Technology Ltd FRN Senior Secured NOK 1,700,000,000 bonds 2024/2028

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 13.15 (*Financial covenants*) of the Bond Terms a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [●].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*) we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

The financial covenants set out in Clause 13.15 (*Financial covenants*) are met, please see the calculations and figures in respect of the ratios attached hereto.

[With reference to Clause 13.12 (*Nomination of Material Group Companies*) the following Group Companies are nominated as Material Group Companies: [●]]

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

The following Group Companies are nominated as Material Group Companies [●].

Yours faithfully,

Odfjell Technology Ltd

Name of authorised person

Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]

ATTACHMENT 2
RELEASE NOTICE – ESCROW ACCOUNT AND BOND ESCROW ACCOUNT

[date]

Dear Sir / Madam,

Odfjell Technology Ltd FRN Senior Secured NOK 1,700,000,000 bonds 2024/2028

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer.

Capitalised terms used herein will have the same meaning as in the Bond Terms.

We hereby give you notice that we on [date] wish to:

- (a) draw all amounts from the Escrow Account applied pursuant to the purpose set out in the Bond Terms, and request you to instruct the bank to release the above mentioned amount; and
- (b) have the relevant Existing Bonds being subject to the Existing Bondholders' Roll-Over [delivered to us from the Bond Escrow Account, and request you to instruct the CSD to discharge the same],

as further specified in [Enclosure I (*Flow of Funds*)/[tbc]].

We hereby represent and warrant that (i) no Event of Default has occurred and is continuing or is likely to occur as a result of the release from the Escrow Account and Bond Escrow Account, and (ii) we confirm that the representations and warranties set out in the Bond Terms are true and accurate in all material respects at the date hereof.

Yours faithfully,

Odfjell Technology Ltd

Name of authorised person

[*Enclosure I: Flow of Funds*]

ATTACHMENT 3 INTERCREDITOR PRINCIPLES

The main principles on which the intercreditor agreement (the "**Intercreditor Agreement**") will be based are as follows:

Parties:	The Intercreditor Agreement will be entered into between, among others, (a) the Issuer and the other obligors (collectively, the " Debtors "), (b) certain intra-group lenders (the " Intra-Group Lenders "), (c) the agent (the " Credit Facility Agent "), (d) the arranger (the " Credit Facility Arranger ") and (e) the lenders (the " Credit Facility Lenders ") under any Credit Facility, the hedge counterparties of any Hedging Liabilities (the " Hedge Counterparties "), (f) the Bond Trustee and (g) the Security Agent.
Ranking and priority:	<p>The Credit Facility Liabilities, the Hedging Liabilities and the Pari Passu Debt Liabilities owed by the Debtors to the Primary Creditors shall rank in right and priority of payment <i>pari passu</i> and without any preference between them, subject to the super senior right of the RCF Creditors and Hedge Counterparties to receive certain enforcement proceeds in priority to the Bondholders and the Bond Trustee in accordance with the section "Application of proceeds" below.</p> <p>Any Guarantee and the Transaction Security shall rank and secure the Credit Facility Liabilities, the Hedging Liabilities and the Pari Passu Debt Liabilities (subject to section "Application of proceeds" below) <i>pari passu</i> and without any preference between them (but only to the extent that such Guarantee or Transaction Security is expressed to secure those liabilities).</p> <p>The Intra-Group Liabilities are postponed and subordinated to the liabilities owed by the Debtors to the Primary Creditors.</p>
Option to purchase:	The Bond Trustee (and any other bond trustee or lenders which are owed any Pari Passu Debt Liabilities) may after a Distress Event and subject to certain customary conditions being fulfilled (and after having given each other bond trustee and all lenders which are owed any Pari Passu Debt Liabilities the opportunity to participate in such purchase), by giving not less than 10 days' notice to the Security Agent, require the transfer to them of all, but not part, of the rights, benefits and obligations in respect of the Credit Facility Liabilities and the Hedging Liabilities, at a price equal to the par value of the Credit Facility Liabilities and Hedging Liabilities (plus costs and expenses, including any early termination fees/break costs in relation to such transfer).
Permitted payments in respect of Intra-Group Liabilities:	The Debtors may make payments or prepayments in respect of Intra-Group Liabilities from time to time until an acceleration event has occurred under the relevant Debt Documents, provided that such payments may in any event be made if (a) the Majority Super Senior Creditors and the Required Pari Passu Creditors consent to that payment being made or (b) that payment is made to facilitate prompt payment of Credit Facility Liabilities, Hedging Liabilities or Pari Passu Debt Liabilities in accordance with the terms of the Intercreditor Agreement.
Effect of insolvency event:	After the occurrence of an insolvency event in relation to any member of the Group, any party entitled to receive a distribution out of the assets of that member of the Group (in the case of a Primary Creditor, only to the extent

	<p>that such amount constitutes enforcement proceeds) in respect of liabilities owed to that party shall, to the extent it is able to do so, direct the person responsible for the distribution of the assets of that member of the Group to make that distribution to the Security Agent (or to such other person as the Security Agent shall direct) until the liabilities owing to the Secured Parties have been paid in full.</p> <p>The Security Agent shall apply such distributions made to it in accordance with section "Application of proceeds" below.</p>
Turnover of receipts:	<p>If at any time prior to the final discharge date of the Primary Creditors, any Creditor receives or recovers any payment other than as permitted by the Intercreditor Agreement, that Creditor will promptly pay or distribute an amount equal to that receipt or recovery to the Security Agent for application in accordance with the terms of the Intercreditor Agreement.</p>
Enforcement of Transaction Security:	<p>Subject to the below, all Primary Creditors are senior ranking, and therefore have an equal right to declare an event of default and commence enforcement proceedings under and in accordance with the provisions of their respective Debt Documents. Except as set out below, there is neither any standstill period applicable on enforcement, nor any obligation to consult with the other Primary Creditors before declaring an event of default or commencing enforcement proceedings.</p> <p>If either the Majority Super Senior Creditors or the Majority Pari Passu Creditors wish to issue instructions as to enforcement of any Transaction Security ("Enforcement Instructions"), the creditor representatives representing the relevant Primary Creditors shall deliver a copy of those proposed Enforcement Instructions (an "Initial Enforcement Notice") to the Security Agent and the Security Agent shall promptly forward such Initial Enforcement Notice to each creditor representative which did not deliver such Initial Enforcement Notice.</p> <p>Subject to the exceptions set out below, the Security Agent will act in accordance with Enforcement Instructions received from the Majority Pari Passu Creditors.</p> <p>If (a) the Majority Pari Passu Creditors have not either (i) made a determination as to the method of enforcement they wish to instruct the Security Agent to pursue (and notified the Security Agent of that determination in writing) or (ii) appointed a financial adviser to assist them in making such a determination, in each case within 3 months of the date of the Initial Enforcement Notice or (b) the Super Senior Discharge Date has not occurred within 6 months of the date of the Initial Enforcement Notice, then the Security Agent will act in accordance with Enforcement Instructions received from the Majority Super Senior Creditors until that discharge date has occurred.</p> <p>If an insolvency event is continuing with respect to a Debtor then the Security Agent will, to the extent the Majority Super Senior Creditors elect to provide such Enforcement Instructions, act in accordance with Enforcement Instructions received from the Majority Super Senior Creditors until the Super Senior Discharge Date has occurred.</p> <p>If the Majority Pari Passu Creditors have not either (a) made a determination as to the method of enforcement they wish to instruct the Security Agent to pursue (and notified the Security Agent of that determination in writing) or</p>

	<p>(b) appointed a financial adviser to assist them in making such a determination, and the Majority Super Senior Creditors (i) determine in good faith (and notify the other creditor representatives and the Security Agent) that a delay in issuing Enforcement Instructions could reasonably be expected to have a material adverse effect on the ability to effect a distressed disposal or on the expected realisation proceeds of any enforcement and (ii) deliver Enforcement Instructions which they reasonably believe to be consistent with section "Enforcement principles" below before the Security Agent has received any Enforcement Instructions from the Majority Pari Passu Creditors, then the Security Agent will act in accordance with the Enforcement Instructions received from the Majority Super Senior Creditors until the Super Senior Discharge Date has occurred.</p>
Manner of enforcement:	<p>If the Transaction Security is being enforced, the Security Agent shall enforce the Transaction Security in such manner as the Instructing Group shall instruct (provided that such instructions are consistent with section "Enforcement principles" below) or, in the absence of any such instructions, as the Security Agent considers in its discretion to be appropriate and consistent with those principles.</p> <p>The Secured Parties shall not have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any right, power, authority or discretion arising under the documents evidencing the terms of the Transaction Security except through the Security Agent.</p>
Non-distressed disposals:	<p>If a disposal of an asset is a non-distressed disposal, the Security Agent shall be irrevocably authorised to, among others, release the Transaction Security or any claim over the relevant asset or the relevant Debtor's other property.</p> <p>If any disposal proceeds are required to be applied in mandatory prepayment of the Credit Facility Liabilities, the Hedging Liabilities or the Pari Passu Debt Liabilities, or required to be deposited into a segregated bank account under the Debt Documents, then those disposal proceeds shall be applied or deposited in accordance with the Debt Documents and the consent of any other party shall not be required for that application.</p>
Distressed disposals:	<p>If a disposal of an asset is a distressed disposal, the Security Agent shall be irrevocably authorised:</p> <ul style="list-style-type: none"> (a) to release the Transaction Security and any other claim over the relevant asset; and (b) if the relevant asset consists of shares or ownership interests in a Debtor or a holding company of a Debtor (each, a "Disposed Entity"), (i) to release any Transaction Security granted by the Disposed Entity, or any subsidiary of the Disposed Entity, over any of its assets, (ii) to release the Disposed Entity, or any subsidiary of the Disposed Entity, from all or any part of its liabilities, (iii) to release any other claim of any Creditor or another Debtor over that Disposed Entity's assets or over the assets of any subsidiary of that Disposed Entity, (iv) to release the Disposed Entity, any other member of the Group from all or any part of its liabilities arising out of or in connection with that distressed disposal, or dispose of (including by way of appropriation) all or any part of those liabilities, (v) to dispose of (including by way of

	<p>appropriation) all or any part of the liabilities owing by the Disposed Entity, or any subsidiary of the Disposed Entity and/or (vi) to dispose of (including by way of appropriation) all or any part of the liabilities owing to the Disposed Entity, or any subsidiary of the Disposed Entity,</p> <p>in each case, (A) that may, in the discretion of the Security Agent, be considered necessary or desirable and (B) on behalf of the relevant Creditors, Secured Parties and Debtors.</p> <p>The net proceeds of each distressed disposal (and each debt disposal) shall be paid, or distributed, to the Security Agent for application in accordance with section "Application of proceeds" below.</p> <p>For the purposes of distressed disposals, the Security Agent (a) shall act on the instructions of the Instructing Group, or in the absence of any such instructions, as the Security Agent sees fit and (b) may engage, or approve the engagement of, pay for and rely on the services of a financial adviser in accordance with section "Enforcement principles" below.</p>
Application of proceeds:	<p>All amounts from time to time received or recovered by the Security Agent (a) pursuant to the terms of any Debt Document, (b) in connection with the realisation or enforcement of all or any part of the Transaction Security or (c) in connection with the making of any demand under any Guarantee (collectively, the "Recoveries") shall be applied by the Security Agent in the following order of priority:</p> <ul style="list-style-type: none"> (i) in discharging any sums owing to the Security Agent (including its advisers), any receiver, any delegate or any other creditor representatives (for its own account); (ii) in payment or distribution to: <ul style="list-style-type: none"> (a) the Credit Facility Agent on its own behalf and on behalf of the Credit Facility Creditors for application towards the discharge of the Credit Facility Liabilities up to an aggregate maximum amount equal to the Credit Facility Liabilities Maximum Amount on a pro rata basis; and (b) the Hedge Counterparties for application towards the discharge of the Hedging Liabilities on a pro rata basis, <p>in that order of priority, unless another priority is agreed between them;</p> (iii) in payment or distribution to the creditor representatives in respect of any Pari Passu Debt Liabilities on its own behalf and on behalf of the Pari Passu Creditors for which it is the creditor representative for application towards the Pari Passu Debt Liabilities on a pro rata basis; (iv) if none of the Debtors is under any further actual or contingent liability under any document evidencing the terms of any Credit Facility Liabilities or Pari Passu Debt Liabilities, in payment or distribution to

	<p>any person to whom the Security Agent is obliged to pay or distribute in priority to any Debtor; and</p> <p>(v) the balance, if any, in payment or distribution to the relevant Debtor, subject to certain customary exceptions in respect of prospective liabilities and treatment of cash cover in respect of any Credit Facility.</p>
Enforcement principles:	<p>The main enforcement principles are as follows:</p> <p>(a) it shall be the primary and over-riding aim of any enforcement of any Transaction Security to maximise, to the extent consistent with a prompt and expeditious realisation of value, the value realised from any such enforcement;</p> <p>(b) the Security Agent shall be under no obligation to appoint a financial adviser or to seek the advice of a financial adviser unless expressly required to do so by the Intercreditor Agreement; and</p> <p>(c) any fairness opinion from a financial adviser will be conclusive evidence that the enforcement objective set out above has been met.</p>
Bond protection:	Trustee Customary Bond Trustee protection provisions will be included in the Intercreditor Agreement.
Modifications:	<p>The Bond Trustee (on behalf of the bondholders) may consent to any amendment or waiver of the terms of the Bond Terms and the requisite Super Senior Creditors may consent to any amendment or waiver of the terms of the Debt Documents relevant to such Super Senior Creditor, provided that such amendment or waiver does not increase the nominal amount outstanding or committed under any Credit Facility, not including any increase in commitments under the Credit Facility permitted by the Bond Terms or the interest payable thereunder.</p> <p>Subject to certain exceptions, no amendment or waiver may be made or given that has the effect of changing or which relates to an amendment to any material term of the Intercreditor Agreement (including to the order of priority or subordination under the Intercreditor Agreement) without the prior written consent of the Bond Trustee (on behalf of the Bondholders) and the requisite Super Senior Creditors. For the avoidance of doubt, the requisite Super Senior Creditors shall always be permitted to waive drawstop events under the Credit Facility.</p> <p>The prior written consent of the Bond Trustee (on behalf of the Bondholders) and the requisite Super Senior Creditors is required to authorise any amendment or waiver of, or consent under, any Security Document which would affect the nature or scope of the security created or purported to be created under it or the manner in which the proceeds of enforcement or Distressed Disposal of the Security Documents are distributed.</p>
Governing law and jurisdiction:	The Intercreditor Agreement shall be governed by Norwegian law and be subject to the jurisdiction of the Oslo District Court (<i>Oslo tingrett</i>).
Definitions:	" Credit Facility " means any super senior revolving facility made available to the Issuer or any other Debtor in accordance with the Bond Terms.

	<p>"Credit Facility Creditors" means any Credit Facility Agent, any Credit Facility Lender and each Credit Facility Lender.</p> <p>"Credit Facility Liabilities" means the liabilities owed by any Debtor to any Credit Facility Creditors under or in connection with the relevant Debt Documents.</p> <p>"Credit Facility Liabilities Maximum Amount" means the aggregate principal amount being the higher of (a) USD 50,000,000 (or the equivalent in any other currency) and (b) 50 per cent. of EBITDA at the time of commitment plus any accrued but unpaid interest, fees, costs and expenses under the Debt Documents evidencing the terms of the Credit Facility Liabilities.</p> <p>"Creditors" means the Primary Creditors and the Intra-Group Lenders.</p> <p>"Debt Document" means the Intercreditor Agreement, any documents evidencing the terms of any Credit Facility Liabilities, the Hedging Liabilities or any Pari Passu Debt Liabilities, any Intra-Group Liabilities, any Guarantee or any Transaction Security and any other document designated as such by the Security Agent and the Issuer.</p> <p>"Distress Event" means (a) any exercise of any rights under any acceleration provisions, or any acceleration provisions being automatically invoked, in each case under any Debt Document evidencing the terms of any Credit Facility Liabilities, Hedging Liabilities or any Pari Passu Liabilities, (b) the enforcement of any Transaction Security or (c) (unless the context otherwise requires) the making of any demand under any Guarantee.</p> <p>"Guarantee" means any guarantee, indemnity or other assurance against loss granted by any Debtor in respect of the obligations of any of the Debtors under any of the Debt Documents.</p> <p>"Hedging Liabilities" means the liabilities under any hedging agreements of any Group Company owing to the Hedging Counterparties.</p> <p>"Instructing Group" means:</p> <ul style="list-style-type: none"> (a) subject to paragraph (b) below, the Majority Super Senior Creditors and the Majority Pari Passu Creditors; and (b) in relation to instructions as to the enforcement of any Transaction Security, the group of Primary Creditors entitled to give instructions as to such enforcement under section "Enforcement of Transaction Security" above. <p>"Intra-Group Liabilities" means the liabilities owed by a Debtor to any of the Intra-Group Lenders.</p> <p>"Majority Pari Passu Creditors" means, at any time, those Pari Passu Creditors whose pari passu credit participations at that time aggregate more than 50.00 per cent. of the total pari passu credit participations at that time (and where each bond trustee shall act (and be considered to act) on behalf of all the pari passu bondholders represented by it regardless of whether all or only the required majority of those pari passu bondholders voted in favour or against the decision to be made by the Majority Pari Passu Creditors under the Intercreditor Agreement).</p>
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	<p>"Majority Super Senior Creditors" means, at any time, those Super Senior Creditors whose super senior credit participations at that time aggregate more than 50.00 per cent. of the total super senior credit participations at that time.</p> <p>"Pari Passu Creditors" means the Bondholders, the Bond Trustee and each other creditor which pursuant to section "Ranking and priority" above shall rank (a) in right and priority of payment and (b) in respect of any Guarantee and Transaction Security <i>pari passu</i> with the Bondholders and the Bond Trustee and without any preference between them.</p> <p>"Pari Passu Debt Liabilities" means the liabilities owed by the Debtors to the Pari Passu Creditors under or in connection with the relevant Debt Documents.</p> <p>"Pari Passu Liabilities" means the Pari Passu Debt Liabilities.</p> <p>"Primary Creditors" means the Super Senior Creditors, the Hedging Counterparties and the Pari Passu Creditors.</p> <p>"Required Pari Passu Creditors" means each creditor representative acting on behalf of any lenders or bondholders which are owed any Pari Passu Debt Liabilities.</p> <p>"Secured Parties" means the Security Agent, any receiver or delegate and each of the Primary Creditors from time to time but, in the case of each Primary Creditor, only if it (or, in the case of a Pari Passu Creditor being a bondholder, its bond trustee) is a party or has acceded to the Intercreditor Agreement in the proper capacity pursuant to the terms thereof.</p> <p>"Security Agent" means the Bond Trustee (or any other party to be appointed) as security agent for the Secured Parties.</p> <p>"Super Senior Creditors" means the Credit Facility Creditors and the Hedging Counterparties.</p> <p>"Super Senior Discharge Date" means the first date on which all Super Senior Liabilities have been fully and finally discharged to the satisfaction of the relevant creditor representative(s) (in the case of the Credit Facility Liabilities) and each Hedge Counterparty (in the case of its Hedging Liabilities), whether or not as the result of an enforcement, and the Super Senior Creditors are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.</p> <p>"Super Senior Liabilities" means the Credit Facility Liabilities and the Hedging Liabilities.</p> <p>"Transaction Security" means the security granted by any Debtor in respect of the obligations of any of the Debtors under any of the Debt Documents (other than any Escrow Account Pledge and any Bond Escrow Account Pledge).</p>
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ATTACHMENT 4

AGREED SECURITY PRINCIPLES

The granting of the transaction Security (including guarantees) as contemplated under the Bond Terms and the Intercreditor Agreement is subject to, *inter alia*, the following security principles:

- (a) where legally permissible, all Transaction Security and any Guarantee shall be created in favour of the Security Agent and not the other Secured Parties individually. Parallel debt provisions shall be used where legally necessary;
- (b) to the extent legally permissible, Transaction Security will be first ranking unless any prior ranking Security is permitted by all the relevant Debt Documents;
- (c) where legally permissible, Transaction Security Documents shall automatically create Security over future assets of the same type as those already subject to Transaction Security thereunder, and if such Security may not be automatically created, Transaction Security over such future assets shall be created promptly upon the acquisition of such assets;
- (d) any requirement for any deliverable by any person not being a Group Company shall be considered complied with if the relevant Group Company has used reasonable endeavours to obtain such deliverable;
- (e) general statutory limitations (including, but not limited to, such relating to financial assistance, corporate benefit, fraudulent preference, "thin capitalisation" rules, capital maintenance, retention of title claims and similar principles) may limit the ability of a Debtor to provide any Security or Guarantee without inclusion of provisions limiting the responsibility for granting full legal valid and perfected security or require that such security is limited by an amount or otherwise;
- (f) the granting of Transaction Security and the extent of its perfection and scope shall take into account the costs and expenses (including, without limitation, any stamp duty, taxes, registration fees or similar), work and time of providing such Security which must be proportionate to the benefit accruing to the Secured Parties with respect to such Security, including, without limitation, that no Transaction Security shall be provided or perfected where any fee calculated as a percentage or share of the Secured Obligations will be payable as a result thereof (unless de minimis);
- (g) the Debtors (as defined in the Intercreditor Principles) will not be required to provide Transaction Security or any Guarantee if it would conflict with the fiduciary duties of their directors or officers or contravene any legal prohibition or result in a material risk of personal or criminal liability on the part of any director or officer, provided that the relevant Debtor shall use reasonable endeavours to overcome any such obstacle and relevant limitation language may be included in the relevant security document;
- (h) the Debtors will not be required to provide Transaction Security in respect of assets which are subject to third party arrangement which prevent those assets from being charged, provided that the relevant entity shall use its commercially reasonable endeavours to obtain consent to charging such assets;

- (i) Transaction Security Documents shall operate to create Security rather than to impose any new commercial obligations and shall, accordingly, not contain additional or duplicate representations or undertakings (including, for the avoidance of doubt, reporting requirements) to those contained in the relevant Debt Documents unless required for the creation, perfection, preservation or enforcement of the Transaction Security and shall not be unduly burdensome on the Debtors or interfere unreasonably with the operation of their business or operations;
- (j) the granting and perfection of Transaction Security shall operate as a security interest only and, absent exercise by the Security Agent of any of its rights following the occurrence of an Event of Default which is continuing, shall not relieve the relevant Obligor of its control or disposition rights over that asset. Any Transaction Security shall only be granted and perfected to the extent legally possible without depriving the relevant Obligor of the control or ownership rights to the relevant asset.

Appendix 3 – Articles of association of Odfjell Well Services Norway AS

VEDTEKTER

Sist endret 8. november 2018

for

Odfjell Well Services Norway AS
(org. nr. 983 793 347)

Paragraf 1.

Selskapets navn er Odfjell Well Services Norway AS

Paragraf 2.

Selskapets forretningskontor er i Sola kommune.

Paragraf 3.

Selskapets formål er å yte tjenester relatert til boring av brønner og produksjon av olje, utleie og utstyr med eller uten personell, miljøaktiviteter, analysere omfang samt begrense oljeforurensning, teknologiutvikling, kjøp og salg og annen dermed forbundet virksomhet.

Paragraf 4.

Selskapet aksjekapital er på NOK 828 206 fordelt på 1780 aksjer pålydende NOK 465,2842697.

Paragraf 5.

Selskapets styre består av 3 til 9 medlemmer. Selskapets firma tegnes av styrets formann eller to styremedlemmer i felleskap, der både et aksjonærvalgt styremedlem og en ansatterepresentant skal være representert. Styret kan meddele prokura.

Paragraf 6.

Generalforsamling innkalles med 8 dagers skriftlig varsel. Den ordinære generalforsamling skal behandle:

- a) Fastsettelse av resultatregnskap og balansen.
- b) Anvendelse av overskuddet eller dekning av underskudd i henhold til den fastsatte balanse, samt utdeling av utbytte.
- c) Valg av styre
- d) Andre saker som i henhold til lov hører under generalforsamlingen.

Paragraf 7.

Selskapets aksjer er fritt omsettelige.

Appendix 4 – Articles of association of Odfjell Operations AS

ODFJELL OPERATIONS AS

(org.nr. 963 228 252)

VEDTEKTER

28. mars 2022

§ 1

ODFJELL OPERATIONS AS er et aksjeselskap hvis formål er å drive oljeboring, transport, konstruksjon, konsulentvirksomhet herunder ingeniørtjenester, kjøp og salg og dermed forbundet virksomhet.

§ 2

Selskapets forretningskontor skal være i Bergen. Generalforsamlingen kan også holdes utenfor Bergen kommune.

Selskapets aksjekapital er NOK 21 402 000 fordelt på 21 402 aksjer pålydende NOK 1 000.

§ 3

Selskapets styre består av 3 til 9 medlemmer. Selskapets firma tegnes av styrets formann eller to styremedlemmer i felleskap, der både et aksjonærvalgt styremedlem og en ansattrepresentant skal være representert. Styret kan meddele prokura.

§ 4

Den ordinære generalforsamling skal holdes hvert år innen utgangen av mai og innkalles med minst 8 dagers skriftlig varsel. Med mindre annet følger av aksjeloven, har hver aksje en stemme og alle beslutninger fattes med simpelt flertall hvor vedtektene eller aksjeloven ikke bestemmer noe annet. Aksjeeier har rett til å møte ved fullmektig. Den ordinære generalforsamlingen skal behandle og avgjøre:

- 1) Fastsettelse av resultatregnskap og balansen.
- 2) Anvendelse av årsoverskudd eller dekning av underskudd i henhold til den fastsatte balansen, samt utdeling av utbytte.
- 3) Fastsettelse av konsernregnskap og konsernbalanse.

- 4) Valg av styre.
- 5) Andre saker som i henhold til lov eller vedtekter hører under generalforsamlingen.

En aksjeeier har rett til å få behandlet på generalforsamlingen spørsmål han melder skriftlig til styret i så god tid at det kan tas med i innkallingen. Er innkallingen allerede gitt, skal det foretas ny innkalling eller tilleggsinnkalling dersom det er minst 1 måned igjen til generalforsamlingen skal holdes.

§ 5

Selskapets aksjer skal være fritt omsettelige, og overdragelse av aksjer skal følgelig ikke være betinget av samtykke fra selskapet.

Aksjeeier(ne) har ingen forkjøpsrett til aksjer som skal skifte eller har skiftet eier

Appendix 5 – Memorandum and articles of association of Odfjell Technology (UK) Ltd.

(6)

Company No: SC232018

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

**MEMORANDUM
and
ARTICLES OF ASSOCIATION
of
ODFJELL DRILLING (UK) LIMITED**

PAULL & WILLIAMSON
SOLICITORS, ABERDEEN

[] 2006

Handwritten signature

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

MEMORANDUM of ASSOCIATION

of

ODFJELL DRILLING (UK) LIMITED

- I. The name of the Company is 'Odfjell Drilling (UK) Limited'.
- II. The Registered Office of the Company will be situated in Scotland.
- III. The objects for which the Company is established are:-
 - (1) To carry on business as a general commercial company.
 - (2) To carry on any other business which may be advantageously carried on in connection with any of the objects of the Company.
 - (3) To acquire and take over the whole or any part of the business and liabilities of any person, firm or company carrying on any other business which the Company is authorised to carry on or possessed of any property or rights suitable for any of the objects of the Company.
 - (4) To subscribe for, take, purchase and otherwise acquire and hold, shares, stocks, debentures and other interests in any company having objects similar to those of the Company.

¹ Incorporated as Railgreen Limited on 24 May 2002
Name changed to Odfjell Drilling (UK) Ltd. on 25 June 2002

Handwritten signature/initials

- (5) To purchase, take on feu, lease, hire, take in exchange and otherwise acquire any property and rights which may be advantageous for the purpose of the business of the Company.
- (6) To improve, manage, exploit, develop, turn to account and otherwise deal with all or any part of the business, property and rights of the Company.
- (7) To sell, feu, let, hire, license, give in exchange and otherwise dispose of all or any part of the business, property and rights of the Company.
- (8) To apply for, register, purchase and otherwise acquire any patent rights, licences, trade marks, trade names, designs, inventions, copyrights and secret processes which may be advantageous for the purposes of the business of the Company.
- (9) To lend money or give credit to any person, firm or company on such terms as may seem expedient and with or without security, to enter into guarantees, contracts of indemnity or suretyships of all kinds on behalf of any person, firm or company and to receive money on deposit upon such terms as the Board of Directors may approve.
- (10) To borrow and raise money in such manner as the Board of Directors shall think fit and to guarantee and/or give security for the payment of money by or the performance of obligations of all kinds of the Company or any other person, firm or company, including any company which is the holding company of the Company or is a subsidiary of the Company or of any such holding company or otherwise is allied to or associated with the Company in such manner as the Board of Directors may think fit, and in particular, but without prejudice to the generality of the foregoing to guarantee and/or give security by way of mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future) including its uncalled capital.
- (11) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (12) To establish, maintain and contribute to any pension or superannuation fund for the benefit of, and to give or procure the giving of any donation, pension, allowance or remuneration to, and to make any payment for or towards the insurance of, any individual, who is or was at any time in the employment of the Company or of any company which is its holding company or is a subsidiary of the Company or of any such holding company or otherwise is allied to or associated with the Company, or who is or was at any time director or officer of the Company or of such other company, or who was at any time the proprietor or in the employment of any business acquired by the Company or such other company, and the wife, widow, relatives and dependants of any such individual; to establish, subsidise and subscribe to any profit sharing or share purchase scheme, institution, association, club and fund which may benefit any such person.

Handwritten signature/initials

- (13) To promote any Act of Parliament, Provisional Order and other authority to enable the Company to carry on its business, alter its constitution and achieve any other purpose which may promote the Company's interests, and to oppose or object to any application or proceedings which may prejudice the Company's interests.
- (14) To enter into any arrangement with any organisation, government or authority which may be advantageous for the purposes of the business of the Company and to obtain from any such organisation, government or authority any charter, right, privilege and concessions.
- (15) To enter into partnership or any other arrangement for sharing profit, co-operation, or mutual assistance with any person, firm or company.
- (16) To give and accept as consideration for any business, property and rights acquired or disposed of, any shares, debentures or securities.
- (17) To distribute in kind among the members of the Company any property of the Company.
- (18) To promote any company which may seem advantageous for the purposes of the business of the Company.
- (19) To effect insurance against risks of all kinds.
- (20) To invest moneys of the Company not immediately required for the purposes of its business in such investments and securities (including land in any part of the world) and that in such manner as may from time to time be considered advantageous and to dispose of and vary such investments and securities.
- (21) To subscribe and guarantee money for charitable, benevolent and artistic objects.
- (22) To carry out any of these objects in any part of the world as principal, agent, contractor, trustee or in any other capacity and through an agent, contractor, sub-contractor, trustee or any person, firm or company acting in any other capacity and either alone or in conjunction with others.
- (23) To do anything which may be deemed incidental or conducive to the attainment of any of the objects of the Company.

And it is hereby declared that the objects of the Company specified in each sub-clause of this clause are separate and distinct objects of the Company and shall not be in any way limited by reference to any other sub-clause or the order in which they occur or the name of the Company.

In this clause where the context so admits:

"property" means any property, heritable or moveable, real or personal, wherever situated.

- IV. The liability of the members is limited.
- V. The Share Capital of the Company is £5,200,000 divided into 200,000 Ordinary Shares of £1.00 each and 5,000,000 Preference Shares of £1.00 each.

of the

COMPANY LIMITED BY SHARES

of

ODFJELL DRILLING (UK) LIMITED
(adopted by Special Resolution passed on
[] 2006)

CONSTITUTION OF COMPANY

1. The Company is established as a private company within the meaning of Section 1(3) of the Companies Act 1985 (the said Act, including any statutory modification or re-enactment thereof for the time being in force being hereinafter referred to as "the Act")

The Regulations contained or incorporated in Table A in the Companies (Tables A to F) Regulations 1985 (such Table being hereinafter called "Table A") shall be deemed to be incorporated with these Articles and shall apply to the Company with the exception of Regulations 3, 4, 6, 23, 24, 25, 35, 44, 64 to 69 inclusive, 73 to 75 inclusive, 77, 80, 81, 85 to 89 inclusive, 93 to 97 inclusive, 101, 112, 115 and 118 of Table A and any other Regulation which is inconsistent with the additions and modifications hereinafter set forth.

SHARE CAPITAL

2. (a) The share capital of the Company is £5,200,000 divided into 200,000 Ordinary Shares of £1.00 each and 5,000,000 Preference Shares of £1.00 each.
- (b) The following rights attach to the Shares :-

Voting:-

- (i) The holder of an Ordinary Share shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and such holder who (being an individual) is present in person or by proxy or (being a body corporate) is present by duly authorised representative or by proxy shall, on a show of hands, have one vote,

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and, on a poll, have one vote for each Ordinary Share held by him. The holder of a Preference Share shall not be entitled to vote.

Dividends

(ii) Dividend payments may be made to Shareholders as determined by directors from time to time and subject to the Act.

Capital

(iii) Holders of Preference Shares shall be entitled to a return of capital in the amount of £1 per share, in priority to the holder of any other class of Share. Thereafter any remaining capital shall be paid to the holders of the Preference Shares and the Ordinary Shares *pari passu* and as if the Preference Shares and the Ordinary Shares constituted one class of shares.

- (c) The Directors are unconditionally authorised for the purpose of Section 80 of the Act to exercise for a period of five years from the date of adoption of these Regulations any power of the Company to allot any shares of the Company from time to time unissued (including "relevant securities" as defined in Section 80 (2) of the Act) up to the total amount of the authorised share capital of the Company for the time being remaining unissued.
- (d) The provisions of Section 89 (1) and Section 90 (2) to 90 (6) of the Act shall not apply to the Company and unless in any particular case all the holders for the time being of the issued shares in the capital of the Company otherwise agree, all shares (whether forming part of the original share capital of the Company or hereafter created) which it is determined to issue shall be offered in the first instance to all the holders of shares in the Company in proportion to the number of shares in the Company held by them respectively. The person to whom the offer is made may elect to accept such offer in respect of a lesser number of shares than his entitlement and to decline in respect of the balance. Such offer shall be made by notice specifying the number of shares to which each holder is entitled and prescribing a time (not being less than fourteen days) after which the offer, if not previously accepted, shall be deemed to be declined. After the expiration of that time or on receipt of an intimation from the person to whom the offer is made that he declines to accept any or all of the shares offered those shares so deemed to be declined shall be offered in the proportion aforesaid to the persons who have within the prescribed time accepted all the shares offered to them. Such further offer shall be made in the same manner and limited by a like prescribed time as the original offer. Any shares not accepted pursuant to such offer or further offer as aforesaid shall be under the control of the Directors who may dispose of such remaining shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the shares which it is determined to issue bear to the shares held by a person entitled to receive notice as aforesaid) cannot in the opinion of the Directors be conveniently offered under this Regulation. For the purposes of this Regulation the executors or administrators of a deceased member who was a sole holder shall be treated as the holders of the shares registered in the name of the deceased member.

- (e) Subject to the provisions of the Act any shares of the Company may be issued on the terms that they are to be redeemed or are liable to be redeemed at the option of the Company or the member no later than 31 December 2015 and any shares of the company may be purchased by the Company on such terms and conditions as the Company, before it enters into a contract or contingent contract for the purchase of such shares, may by special resolution determine. A payment in respect of such a redemption or purchase by the Company may with the sanction of a special resolution be made otherwise than out of the distributable profits of the Company (within the meaning of Section 152 (1) (b) of the Act) or the proceeds of a fresh issue of shares made for the purpose of the redemption or purchase notwithstanding that such payment may constitute a payment out of capital.
- (f) Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the Directors may determine. Every certificate shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

LIEN

3. The lien conferred by Regulation 8 of Table A shall attach also to fully paid up shares and to all shares registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders.

UNDERWRITING

4. The Company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.

TRANSFER OF SHARES

5. The Instrument of Transfer of any share shall be in the form recommended in The Stock Transfer Act, 1963, or in such other form as the Directors shall from time to time approve and, when lodged for registration, shall be accompanied by the Certificate of the Share to be

transferred and such other evidence (if any) as the Directors may require to prove the title of the intending transferor.

6. All transfers of shares need be executed by the transferor only and he shall be deemed to remain the holder of the shares until the name of the transferee is entered in the Register of Members in respect thereof provided that, in the case of partly paid shares, the Instrument of Transfer must also be signed by or on behalf of the transferee.
7. (a) Notwithstanding the succeeding provisions of this Article 7, the Directors may decline to register any transfer: -
 - (1) of any share on which the Company has a lien;
 - (2) of any share (not being a fully paid share) to a person of whom they do not approve;
 - (3) of any share (whether or not it is a fully paid share) made pursuant to paragraph (g) hereof;

Provided that if the Directors so decline to register any transfer they shall within sixty days of the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal specifying the reason(s) for same.

- (b) Any person proposing to transfer any shares (hereinafter called "the proposing transferor") shall give notice in writing (hereinafter called "the Transfer Notice") to the Company that he desires to transfer the same and specifying the sum which in his opinion constitutes the fair value thereof. A Transfer Notice shall, on receipt by the Company, constitute the company the agent of the proposing transferor for the sale of all (but not some of) the shares referred to therein at the price specified therein, or at such lower price as may be determined in accordance with paragraph (d) hereof.
- (c) The shares included in any Transfer Notice shall be offered by notice in writing (hereinafter called "the Option Notice") not later than the seventh day after receipt by the Company of the Transfer Notice in the first place to the members (other than the proposing transferor) as nearly as may be in proportion to the shares held by them respectively. The Option Notice shall in each case specify the date of receipt by the Company of the Transfer Notice and the price specified therein and shall invite each member to state in his reply how many (if any) shares in excess of his proportion he desires to purchase. The Option Notice shall further limit the time in which the offer may be accepted (not being less than Twenty One Days from either the date of the Option Notice or the date of the Certificate of Valuation under paragraph (d) hereof whichever is the longer) and if any member does not before the expiry of such limit claim by notice in writing the shares offered to him they shall be used to satisfy the claims for excess shares in proportion to the existing shares held by the claimants respectively but so that no such claimant shall be bound to take more excess shares than he shall have applied for. If any shares shall not be capable without fractions of being

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offered to the members in proportion to their existing holdings, the same shall be offered to the members or some of them, in such proportions or in such manner as may be determined by lots drawn in regard thereto, and the lots shall be drawn in such manner as the Directors may think fit. Any member who desires as above to purchase any shares included in a Transfer Notice is hereinafter called "the purchaser".

- (d) If an intending purchaser or the Directors consider that the price specified in the Transfer Notice is in excess of the fair value of the shares included therein he or they shall not later than the seventh day after receipt of the Option Notice in the case of an intending purchaser or not later than the seventh day after receipt of the Transfer Notice in the case of the Directors, request in writing that the auditor for the time being of the Company (or, with the agreement of the proposing transferor and the intending purchaser and/or the Directors, a person nominated by the President of the Institute of Chartered Accountants in Scotland) certify in writing the sum which in his opinion is the fair value of the shares included in the Transfer Notice as at the date of the Transfer Notice in accordance with these presents and for the purpose of this Article reference to the auditor shall include any person so nominated. All costs in making such valuation shall be borne by the Company. In certifying the fair value of the shares the auditor shall be considered to be acting as an expert and not as an arbiter and accordingly any provisions of law or statute relating to arbitration shall not apply.
- (e) If a purchaser or purchasers shall be found for all the shares included in any Transfer Notice, the Company shall within seven days after the later of the acceptance date specified in the Option Notice and the date of the Certificate of Valuation given under paragraph (d) of this Article, give notice (hereinafter called "the Sale Notice") to the proposing transferor specifying the purchaser(s) of such shares and the price payable, being the lower of the price specified in the Transfer Notice and the fair value determined as aforesaid. If the fair value determined as aforesaid is less than the price specified in the Transfer Notice the proposing transferor shall within seven days of receipt of the Sale Notice give notice in writing to the Company, stating whether he is prepared to transfer the shares in pursuance of the Sale Notice. If he is not prepared so to transfer the shares the Transfer Notice shall be deemed to be revoked, the Company shall no longer be the agent of the proposing transferor for the sale of the shares and the proposing transferor shall forthwith reimburse the Company the full costs incurred in determining the fair value as aforesaid. If he is prepared to transfer the shares in pursuance of the Sale Notice, or if the price specified in the Sale Notice is not less than the price specified in the Transfer Notice, the proposing transferor shall upon payment of the said price, transfer the shares to the purchaser(s), and the Directors shall register any transfer pursuant to this paragraph.
- (f) If in any case the proposing transferor after having become bound as aforesaid makes default in transferring any shares included in the Transfer Notice, the Company may receive the purchase money on his behalf and may authorise some person to execute a transfer of such shares in favour of the purchaser(s) who shall thereupon be registered as the holder(s) thereof. The receipt of the Company for the purchase money shall be a good discharge to the purchaser(s).


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- (g) If the Company shall not give a Sale Notice to the proposing transferor he shall, not later than the thirtieth day after the expiry of the time allowed for giving a Sale Notice, be at liberty to transfer all or any of the shares included in the Transfer Notice to any person pursuant to a bona fide sale at any price not less than the price specified in the Transfer Notice or the fair value determined as aforesaid (whichever is the lower) after deducting, (where appropriate), any net dividend or other distribution declared or made after the date of the Transfer Notice and to be retained by the proposing transferor, and the proposing transferor shall not be required to give a Transfer Notice in respect thereof during the said period of thirty days. Provided that the Directors shall have the powers conferred by paragraph (a) hereof to decline to register any transfer so made.
- (h) Whenever any member of the Company who is employed by the Company in any capacity is dismissed from such employment or ceases to be employed by the Company, the Directors may at any time not later than sixty days after his dismissal or his ceasing to be employed resolve that such member do retire, and thereupon he shall (unless he has already served a Transfer Notice) be deemed to have served a Transfer Notice pursuant to paragraph (b) of this Article and to have specified therein the fair value to be certified in accordance with paragraph (d) of this Article. Notice of the passing of any such Resolution shall forthwith be given to the member affected thereby.

FORFEITURE OF SHARES

8. In Regulation 18 of Table A the words "and all expenses that may have been incurred by the Company by reason of such non-payment" shall be added at the end of the first sentence of said Regulation.

GENERAL MEETINGS

9. Every notice convening a general meeting shall comply with the provisions of Section 372 (3) of the Act as to giving information to members in regard to their right to appoint proxies.
10. Subject as hereinafter provided if at any adjourned meeting a quorum is not present within half an hour from the time appointed for the adjourned meeting, the meeting shall be dissolved. Provided that if a meeting to consider only a resolution or resolutions for the winding up of the Company and the appointment of a Liquidator be adjourned, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for the adjourned meeting, such of the members present in person or by proxy shall constitute a quorum. Regulation 41 of Table A shall be modified accordingly.
11. In Regulation 43 of Table A the words "the members present" shall be held to be deleted and the words "the persons present, being members or proxies for members" shall be inserted in lieu thereof.
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12. In Regulation 46 of Table A paragraphs (b) to (d) inclusive and the part of said Regulation following thereon shall be held to be delete and the words "(b) by any member present in person or by proxy and entitled to vote" shall be inserted in lieu thereof.

VOTES OF MEMBERS

13. It shall suffice that Instruments appointing proxies be deposited at the registered office of the Company at least 24 hours before the time for holding the meeting, and Regulation 62 of Table A shall be modified accordingly.

DIRECTORS

14. The minimum number of the Directors shall be determined by the Company in general meeting but failing such determination shall be one. In the event of the minimum number of Directors fixed by or pursuant to these Articles or Table A being one, a sole Director shall have authority to exercise all the powers and discretions by Table A or these Articles expressed to be vested in the Directors generally.
15. A Director shall not be required to hold shares of the Company in order to qualify for office as a Director but he shall be entitled to receive notice of and attend and speak at every general meeting of the Company and at every separate meeting of the holders of any class of shares in the capital of the Company.

ALTERNATE DIRECTORS

16. (a) Any Director (other than as Alternate Director) may at any time appoint any person to be his Alternate (hereinafter called an "Alternate Director") and may at any time terminate such appointment.
- (b) The appointment of an Alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if the Director concerned (hereinafter called "his principal") ceases to be a Director.
- (c) An Alternate Director shall be entitled to receive Notice of Meetings of the Directors and to attend and where applicable vote as a Director and to be counted in the quorum at any such meeting at which his principal is not personally present and generally at such meetings to perform all functions of his principal as a Director. If his principal is for the time being unable to act through ill health or disability an Alternate Director's signature to any resolution in writing of the Directors shall be as effective as the signature of his principal. An Alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of

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these Articles nor the agent of his principal, but he shall, in the execution of his duties as aforesaid, be subject to the provisions of the Articles with regard to Directors.

- (d) An Alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director, but he shall not be entitled to receive any remuneration from the Company in respect of his appointment as Alternate Director.

DIRECTORS' INTERESTS

17. (a) No Director or intending Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, lessor, customer or otherwise nor shall any such contract or any contract or any transaction or arrangement (whether or not constituting a contract) entered into with or by or on behalf of the Company with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such contract, transaction or arrangement by reason only of such Director holding that office or of the fiduciary relationship thereby established, provided that the fact of his being interested therein and the nature of his interest be disclosed by him at the meeting of Directors at which the contract, transaction or arrangement is first taken into consideration, if his interest then exists, or in any other case at the first meeting of the Directors after the acquisition of his interest; and such Director may vote and have his vote counted in respect of any such contract, transaction or arrangement and shall be counted in the quorum present at the meeting. Provided, if the Director be a sole Director or if all the Directors be interested in the contract, transaction or arrangement, the contract, transaction or arrangement may only be entered into by the Company in general meeting, and before the contract, transaction or arrangement is entered into the Director or Directors must disclose his or their interest to the meeting;
- (b) For the purposes of this Regulation:-
- (i) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any contract, transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- (ii) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his;
- (c) If a question arises at a meeting of Directors or of a Committee of Directors as to the right of a Director to vote, the question may before the conclusion of the meeting, be

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referred to the Chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive.

GRATUITIES AND PENSIONS

18. The Directors may establish and maintain or procure the establishment and maintenance of any non-contributory pension or superannuation funds for the benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company or of any company which is the holding company or a subsidiary company of the Company whether or not they have held any salaried employment or office in the Company or such other company, and the wives, widows, families and dependents of any such persons, and also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and wellbeing of the Company or of any such other company as aforesaid and make payments for or towards the insurance of any such persons as aforesaid and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object and do any of the matters aforesaid either alone or in conjunction with any such other Company aforesaid. Any Director shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument and may vote in favour of the exercise of any of the powers aforesaid notwithstanding that he is or may become interested therein.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

19. The office of Director shall be vacated if the Director:-
- (a) becomes apparently insolvent or makes any arrangement or composition with his creditors generally;
 - (b) he is or may be suffering from mental disorder and either:-
 - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act, 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act, 1984; or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;
 - (c) resigns his office by notice in writing to the Company;
 - (d) has his appointment cancelled by the Company in general meeting;


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- (e) becomes prohibited by law from being a Director or ceases to be a Director by virtue of any provision of the Act; or
- (f) shall for more than six consecutive months have been absent without permission of the Directors from meetings of the Directors held during that period and the Directors resolve that his office be vacated.

ROTATION OF DIRECTORS

20. The Directors shall not be subject to retirement by rotation and accordingly Regulations 73 to 75 of Table A shall not apply and in Regulation 76 the words "other than a Director retiring by rotation" shall be deleted and all other references in Table A to retirement by rotation shall be disregarded.

PROCEEDINGS OF DIRECTORS

21. (a) The Directors may meet together for the despatch of business, adjourn and otherwise regulate their proceedings as they think fit. A Director may and the Secretary at the request of a Director shall call a meeting of the Directors.
It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote. A Director who is also an Alternate Director shall be entitled in the absence of his principal to a separate vote on behalf of his principal in addition to his own vote;
- (b) The quorum necessary for the transaction of all business of the Directors shall be two-thirds of the Directors for the time being (determined in accordance with Regulation 14 hereof) or if their number is not three or a multiple of three, the number nearest two-thirds, present in person or represented by an Alternate Director appointed under Regulation 16 hereof;
- (c) A Resolution in writing, signed or approved by letter, telegram, telex or cablegram by all the Directors entitled to receive notice of a meeting of Directors or by a sole Director or by all the members of a committee or by a sole member of a committee shall be as valid as a resolution duly passed at a meeting of the Directors or of such a committee. When signed, a resolution may consist of several documents each signed by one or more of the persons aforesaid; A Resolution signed by an Alternate Director need not also be signed by his principal and if it is signed by a Director who has appointed an Alternate Director it need not be signed by the Alternate Director in that capacity.

THE SEAL

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22. (a) If the company has a seal it shall only be used with the authority of the Directors or of a Committee of Directors.
The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or second Director.
- (b) The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

ACCOUNTS

23. The Accounts and other documents to be prepared by the Directors shall be prepared in accordance with Section 229, Section 235 and Schedule 7 of the Act.

NOTICES

24. Every Notice to be given by the Company will be sent by pre-paid letter post, cable, telex or telegram to the registered address, or, if appropriate, to the address for the time being supplied for the purpose to the Secretary of the Company by the person entitled to receive the same; every Notice to be sent by letter post to an address within the United Kingdom shall be deemed to have been served on the expiry of twenty four hours from the time of posting and every Notice to be sent by Airmail to an address outwith the United Kingdom shall be deemed to have been served on the expiry of ten days from the time of posting and every Notice sent by cable, telex or telegram shall be deemed to have been served on the expiry of twelve hours from the time when the cable, telex or telegram was dispatched by or on behalf of the Company. In the case of joint holders of a share all Notices shall be given to the joint holders whose name stands first in the Register of Members in respect of the joint holding and Notice so given shall be sufficient Notice to all the joint holders. A member whose registered address is not within the United Kingdom and who gives the Company an address within the United Kingdom at which notices may be given to him, shall be entitled to have notices given to him at that address.

WINDING UP

25. If the Company shall be wound-up any Director, Agent, Trustee or Member of the Company alone or jointly with any other person may become a purchaser of property belonging to the Company.

INDEMNITY

26. (a) Every Director or other Officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liability which he may sustain or incur



in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 727 of the Act in which relief is granted to him by the Court and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to be incurred by the Company in the execution of the duties of his office or in relation thereto. But these Articles shall only have effect insofar as the provisions are not avoided by Section 310 of the Act.

- (b) The Directors shall have power to purchase and maintain for any Director or other officer of the Company insurance against any such liability as is referred to in S310(1) of the Act.
27. The Directors may from time to time require any person whose name is entered in the Register of Members of the Company to furnish them with any information which they may consider necessary for the purpose of determining whether or not the Company is a Close Company within the meaning of Section 414 (1) of The Income & Corporation Taxes Act, 1988; and if such requirement is not complied with they may with-hold any dividends or other payments otherwise due or becoming due in respect of the shares registered in the name of such person.

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Appendix 6 – Articles of association of Odfjell Engineering AS

VEDTEKTER FOR ODFJELL ENGINEERING AS Pr. 28. mars 2022

§ 1 Selskapets foretaksnavn

Selskapets foretaksnavn er Odfjell Engineering AS.

§ 2 Forretningskommune

Selskapets forretningskontor er i Bergen kommune. Generalforsamlingen kan også holdes utenfor Bergen kommune.

§ 3 Selskapets virksomhet

Selskapets formål er å drive konstruksjon og konsulentvirksomhet herunder ingeniørtjenester, kjøp og salg og dermed forbundet virksomhet.

§ 4 Aksjekapital og aksjer

Selskapets aksjekapital er NOK 2 359 729,- fordelt på 2 359 729 aksjer pålydende NOK 1.

§ 5 Styret

Selskapets styre består av 3 til 9 medlemmer. Selskapets firma tegnes av styrets formann eller to styremedlemmer i felleskap, der både et aksjonærvalgt styremedlem og en ansatterepresentant skal være representert. Styret kan meddele prokura.

§ 6 Generalforsamling

Generalforsamlingen innkalles av styret ved skriftlig henvendelse til alle aksjeeiere med kjent oppholdssted og skal innkalles med en ukes varsel.

§ 7 Særlig om ordinær generalforsamling

På den ordinære generalforsamling behandles og avgjøres:

1. Godkjenning av årsregnskapet og årsberetningen, herunder utdeling av utbytte
2. Andre saker som etter lov eller vedtekter hører inn under generalforsamlingen.

§ 8 Særlig om ekstraordinær generalforsamling

Ekstraordinær generalforsamling avholdes når styret finner det nødvendig eller når det til behandling av et bestemt angitt emne kreves skriftlig av revisor eller av aksjeeiere som representere minst 10 % av aksjekapitalen.

§ 9 Omsettelighet

Selskapets aksjer skal være fritt omsettelige, og overdragelse av aksjer skal følgelig ikke være betinget av samtykke fra selskapet.

§ 10 Generelle bestemmelser

For øvrig henvises det til den enhver tid gjeldende aksjelovgivning.

Appendix 7 – Memorandum of association of Odfjell Offshore Ltd.

FORM NO. 2



BERMUDA
THE COMPANIES ACT 1981
**MEMORANDUM OF ASSOCIATION OF
COMPANY LIMITED BY SHARES**
(Section 7(1) and (2))

MEMORANDUM OF ASSOCIATION
OF

Odfjell Offshore Ltd.
(hereinafter referred to as "the Company")

1. The liability of the members of the Company is limited to the amount (if any) for the time being unpaid on the shares respectively held by them.
2. We, the undersigned, namely,

NAME	ADDRESS	BERMUDIAN STATUS (Yes/No)	NATIONALITY	NUMBER OF SHARES SUBSCRIBED
Alison R. Guilfoyle	Clarendon House 2 Church Street Hamilton HM 11 Bermuda	No	British	One
Christopher G. Garrod	"	Yes	British	One
Michael G. Frith	"	Yes	British	One

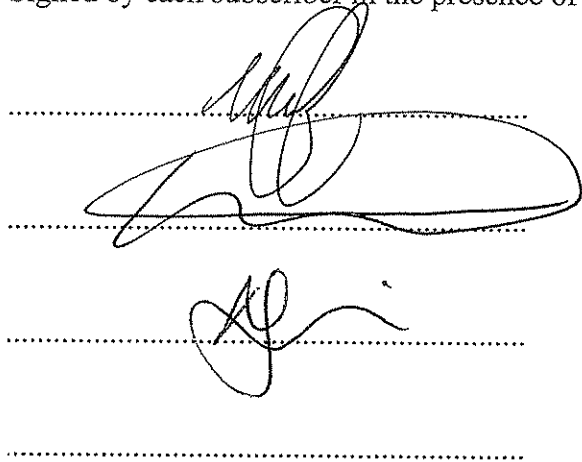
do hereby respectively agree to take such number of shares of the Company as may be allotted to us respectively by the provisional directors of the Company, not exceeding the number of shares for which we have respectively subscribed, and to satisfy such calls as may be made by the directors, provisional directors or promoters of the Company in respect of the shares allotted to us respectively.

3. The Company is to be an **exempted** company as defined by the Companies Act 1981 (the "Act").
4. The Company, with the consent of the Minister of Finance, has power to hold land situate in Bermuda not exceeding ____ in all, including the following parcels:- N/A
5. The authorised share capital of the Company is **US\$10,000.00** divided into shares of **US\$1.00** each.
6. The objects for which the Company is formed and incorporated are unrestricted.
7. The following are provisions regarding the powers of the Company –

Subject to paragraph 4, the Company may do all such things as are incidental or conducive to the attainment of its objects and shall have the capacity, rights, powers and privileges of a natural person, and: –

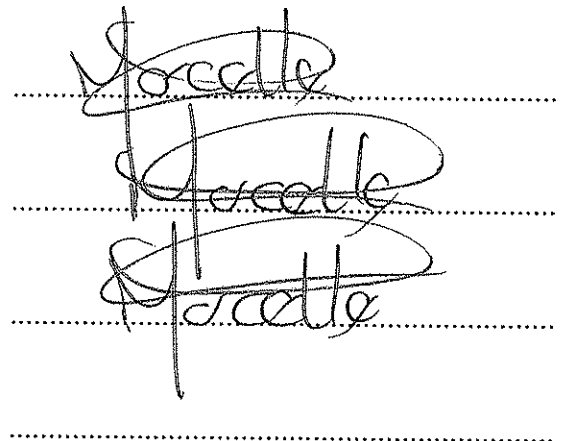
- (i) pursuant to Section 42 of the Act, the Company shall have the power to issue preference shares which are, at the option of the holder, liable to be redeemed;
- (ii) pursuant to Section 42A of the Act, the Company shall have the power to purchase its own shares for cancellation; and
- (iii) pursuant to Section 42B of the Act, the Company shall have the power to acquire its own shares to be held as treasury shares.

Signed by each subscriber in the presence of at least one witness attesting the signature thereof



Two handwritten signatures are written on a set of three horizontal dotted lines. The top signature is a large, stylized cursive script. The bottom signature is a smaller, more compact cursive script.

(Subscribers)



Three handwritten signatures, all appearing to read 'Jocelle', are written on a set of three horizontal dotted lines. Each signature is written in a similar cursive style.

(Witnesses)

SUBSCRIBED this 25th day of March 2011

FORM NO. 2



BERMUDA
THE COMPANIES ACT 1981
**MEMORANDUM OF ASSOCIATION OF
COMPANY LIMITED BY SHARES**
(Section 7(1) and (2))

**MEMORANDUM OF ASSOCIATION
OF**

ODEJELL PARTNERS INVEST LTD.
(hereinafter referred to as "the Company")

1. The liability of the members of the Company is limited to the amount (if any) for the time being unpaid on the shares respectively held by them.
2. We, the undersigned, namely,

NAME	ADDRESS	BERMUDIAN STATUS (Yes/No)	NATIONALITY	NUMBER OF SHARES SUBSCRIBED
G.B.R. Collis	Clarendon House 2 Church Street Hamilton HM 11 Bermuda	Yes	British	One
D.H. Malcolm	"	Yes	British	One
A.R. Guilfoyle	"	No	British	One

do hereby respectively agree to take such number of shares of the Company as may be allotted to us respectively by the provisional directors of the Company, not exceeding the number of shares for which we have respectively subscribed, and to satisfy such calls as may be made by the directors, provisional directors or promoters of the Company in respect of the shares allotted to us respectively.

3. The Company is to be an **exempted** Company as defined by the Companies Act 1981.
4. The Company, with the consent of the Minister of Finance, has power to hold land situate in Bermuda not exceeding ____ in all, including the following parcels:-

N/A

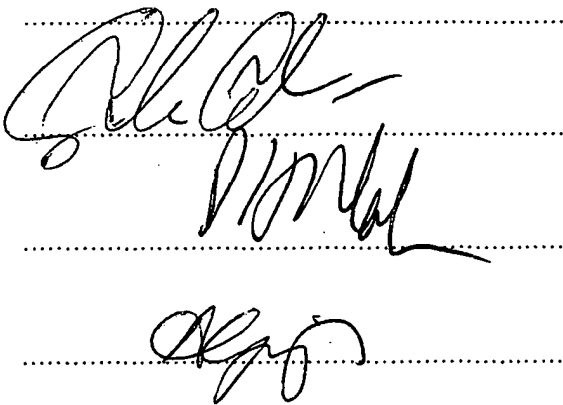
5. The authorised share capital of the Company is **US\$12,000** divided into shares of **US\$1.00** each. The minimum subscribed share capital of the Company is **US\$12,000**.
6. The objects for which the Company is formed and incorporated are -
 - (1) To acquire by purchase or otherwise, buy, own, hold, create, market, design, assemble, manufacture, repair, lease, hire, let, sell, dispose of (with or without consideration or benefit), maintain, improve, develop, manage, invent, build, construct, operate, package and otherwise trade, invest or deal in and with products, financial instruments, goods, and real and personal property of all kinds whatsoever and wheresoever situated, and enter into arrangements for or with respect to any of the foregoing;
 - (2) To perform, provide, procure, market and deal in services and undertakings of all kinds;
 - (3) To advise and act as consultants and managers of all kinds and, without limiting the generality of the foregoing, to provide investment and financial advice, consultation and management services;
 - (4) To research, create, develop, invent, improve, discover, design, collate and draft original works, software, inventions, designs, concepts, formulas, processes, strategies, methodologies and the like, and acquire, build, own, hold, sell, lease, license, dispose of (with or without consideration or benefit), market, franchise, and otherwise exploit and deal in or with all intellectual and intangible property rights pertaining thereto whether registered or not, including but not limited to trade and service marks, trade names, copyrights, computer software, inventions, designs, patents, provisional patents, utility models, trade secrets, confidential information, know how, get-up and any other rights and privileges vesting in or attaching thereto;
 - (5) To explore for, drill for, mine for, quarry for, move, transport, and refine metals, minerals, fossil fuel, petroleum, hydrocarbon products including, without limiting the generality of the foregoing, oil and oil products, and precious stones of all kinds and to prepare the same for sale or use;
 - (6) To enter into any guarantee, contract of indemnity or suretyship and to assure, support or secure with or without consideration or benefit the performance of any obligations of any person or persons and to guarantee the fidelity of individuals filling or about to fill situations of trust or confidence;

- (7) To own, manage, operate, act as agents with respect to, build, repair, acquire, own, sell, charter, or deal in ships and aircraft;**
- (8) To lend to or deposit with any person funds, property or assets and to provide collateral or credit enhancement for loans, leasing or other forms of financing, with or without consideration or benefit;**
- (9) To create, enter into, undertake, procure, arrange for, acquire by purchase or otherwise, buy, own, hold, sell or otherwise dispose of (with or without consideration or benefit), trade, invest and or otherwise deal in, whether on a speculative basis or otherwise, all and or any kind of (including without limitation all and or any combinations of) instrument, contract, including without limiting the generality of the foregoing, derivative instrument or contract, option, swap option contract, bond, warrant, debenture, equity, forward exchange contract, forward rate contract, future, hedge, security, note, certificate of deposit, unit, guarantee and or financial instrument; and**
- (10) To carry on any trade or business which can, in the opinion of the board of directors, be advantageously carried on by the Company.**

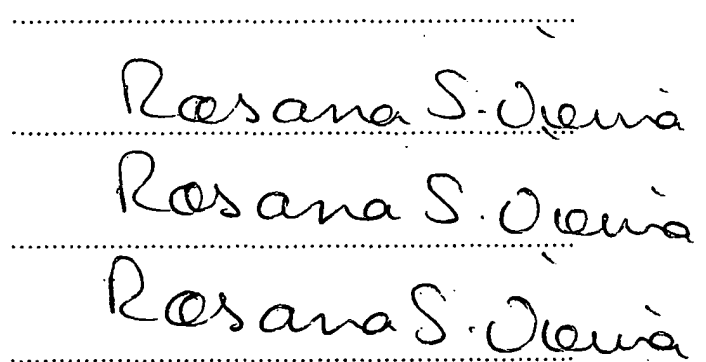
7. Powers of the Company

- 1. The Company shall, pursuant to Section 42 of the Companies Act 1981, have the power to issue preference shares which are, at the option of the holder, liable to be redeemed.**
- 2. The Company shall, pursuant to Section 42A of the Companies Act 1981, have the power to purchase its own shares.**

Signed by each subscriber in the presence of at least one witness attesting the signature thereof



(Subscribers)



(Witnesses)

SUBSCRIBED this 9th day of July, 2003.

SUPPLEMENTARY NOTES:

1. If it is proposed to offer shares or stock in the Company to the public by private placement or listing on a stock exchange, a copy of the prospectus or other offering document must be submitted with this form.
2. If the Company is a local company evidence must be submitted that, within three months prior to the date of submission of this application, the applicants have advertised their intention to incorporate the Company.
3. (a) In respect of any direct registered beneficial owner as listed in question 9, Financial Statements and/or Personal Declarations will be required in respect of:-
 - (i) Any individual proposing to hold 5% or more of the share capital of the Company; or
 - (ii) Any body corporate (which term shall include companies, partnerships and unincorporated associations) proposing to hold 5% or more of the share capital of the Company;
- (b) Where the financial position of a body corporate in paragraph (a)(ii) is consolidated, the consolidated statement will be acceptable.
4. Where the Company requests power to hold land situate in Bermuda, the applicants must obtain the consent of the Minister of Finance through the Registrar of Companies pursuant to section 120(1) of the Companies Act 1981.

FIRST SCHEDULE

A company limited by shares may exercise all or any of the following powers subject to any provision of the law or its memorandum:

1. [Deleted]
2. to acquire or undertake the whole or any part of the business, property and liabilities of any person carrying on any business that the company is authorised to carry on;
3. to apply for register, purchase, lease, acquire, hold, use, control, licence, sell, assign or dispose of patents, patent rights, copyrights, trade makers, formulae, licences, inventions, processes, distinctive makers and similar rights;
4. to enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint venture, reciprocal concession or otherwise with any person carrying on or engaged in or about to carry on or engage in any business or transaction that the company is authorised to carry on or engage in or any business or transaction capable of being conducted so as to benefit the company;
5. to take or otherwise acquire and hold securities in any other body corporate having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as to benefit the company;
6. subject to section 96 to lend money to any employee or to any person having dealings with the company or with whom the company proposes to have dealings or to any other body corporate any of those shares are held by the company;
7. to apply for, secure or acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise and to exercise, carry out and enjoy any charter, licence, power, authority, franchise, concession, right or privilege, that any government or authority or any body corporation or other public body may be empowered to grant, and to pay for, aid in and contribute toward carrying it into effect and to assume any liabilities or obligations incidental thereto;
8. to establish and support or aid in the establishment and support of associations, institutions, funds or trusts for the benefit of employees or former employees of the company or its predecessors, or the dependants or connections of such employees or former employees, and grant pensions and allowances, and make payments towards insurance or for any object similar to those set forth in this paragraph, and to subscribe or guarantee money for charitable, benevolent, educational and religious objects or for any exhibition or for any public, general or useful objects;
9. to promote any company for the purpose of acquiring or taking over any of the property and liabilities of the company or for any other purpose that may benefit the company;

10. to purchase, lease, take in exchange, hire or otherwise acquire any personal property and any rights or privileges that the company considers necessary or convenient for the purposes of its business;
11. to construct, maintain, alter, renovate and demolish any buildings or works necessary or convenient for its objects;
12. to take land in Bermuda by way of lease or letting agreement for a term not exceeding twenty-one years, being land "*bona fide*" required for the purposes of the business of the company and with the consent of the Minister granted in his discretion to take land in Bermuda by way of lease or letting agreement for a similar period in order to provide accommodation or recreational facilities for its officers and employees and when no longer necessary for any of the above purposes to terminate or transfer the lease or letting agreement;
13. except to the extent, if any, as may be otherwise expressly provided in its incorporating Act or memorandum and subject to the provisions of this Act every company shall have power to invest the moneys of the Company by way of mortgage of real or personal property of every description in Bermuda or elsewhere and to sell, exchange, vary, or dispose of such mortgage as the company shall from time to time determine;
14. to construct, improve, maintain, work, manage, carry out or control any roads, ways, tramways, branches or sidings, bridges, reservoirs, watercourses, wharves, factories, warehouses, electric works, shops, stores and other works and conveniences that may advance the interests of the company and contribute to, subsidise or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out or control thereof;
15. to raise and assist in raising money for, and aid by way of bonus, loan, promise, endorsement, guarantee or otherwise, any person and guarantee the performance or fulfilment of any contracts or obligations of any person, and in particular guarantee the payment of the principal of and interest on the debt obligations of any such person;
16. to borrow or raise or secure the payment of money in such manner as the company may think fit;
17. to draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, bills of lading, warrants and other negotiable or transferable instruments;
18. when properly authorised to do so, to sell, lease, exchange or otherwise dispose of the undertaking of the company or any part thereof as an entirety or substantially as an entirety for such consideration as the company thinks fit;
19. to sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with the property of the company in the ordinary course of its business;

20. to adopt such means of making known the products of the company as may seem expedient, and in particular by advertising, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes and rewards and making donations;
21. to cause the company to be registered and recognised in any foreign jurisdiction, and designate persons therein according to the laws of that foreign jurisdiction or to represent the company and to accept service for and on behalf of the company of any process or suit;
22. to allot and issue fully-paid shares of the company in payment or part payment of any property purchase or otherwise acquired by the company or for any past services performed for the company;
23. to distribute among the members of the company in cash, kind, specie or otherwise as may be resolved, by way of dividend, bonus or in any other manner considered advisable, any property of the company, but not so as to decrease the capital of the company unless the distribution is made for the purpose of enabling the company to be dissolved or the distribution, apart from this paragraph, would be otherwise lawful;
24. to establish agencies and branches;
25. to take or hold mortgages, hypothecs, liens and charges to secure payment of the purchase price, or of any unpaid balance of the purchase price, of any part of the property of the company of whatsoever kind sold by the company, or for any money due to the company from purchasers and others and to sell or otherwise dispose of any such mortgage, hypothec, lien or charge;
26. to pay all costs and expenses of or incidental to the incorporation and organisation of the company;
27. to invest and deal with the moneys of the company not immediately required for the objects of the company in such manner as may be determined;
28. to do any of the things authorised by this subsection and all things authorised by its memorandum as principals, agents, contractors, trustees or otherwise, and either alone or in conjunction with others;
29. to do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the company.

Every company may exercise its powers beyond the boundaries of Bermuda to the extent to which the laws in force where the powers are sought to be exercised permit.

AMENDED

BYE-LAWS

OF

ODFJELL PARTNERS INVEST LTD.

Adopted: 11 April 2013
Amended: 9 May 2017 (45(k))
Amended: 21 December 2018 (19, 44, 53, 55 & 57)
Amended: 21 February 2022 (1.1, 4.3, 11.1, 11.8, 31.5, 75 & 76)

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INTERPRETATION

1. Definitions

1.1 In these Bye-laws, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:

Act	the Companies Act 1981;
Alternate Director	an alternate director appointed in accordance with the laws;
Auditor	includes an individual or partnership;
Board	the board of directors (including, for the avoidance of doubt, a sole director) appointed or elected pursuant to these Bye-laws and acting by resolution in accordance with the Act and these Bye-laws or the directors present at a meeting of directors of which there is a quorum;
Company	the company for which these Bye-laws are approved and confirmed;
Director	a director of the Company and shall include an Alternate Director;
Member	the person registered in the Register of Members as the holder of shares in the Company and, when two or more persons are so registered as joint holders of shares, means the person whose name stands first in the Register of Members as such joint holders or all of such persons, as the context may require;
notice	written notice as further provided in these Bye-laws otherwise specifically stated;
Officer	any person appointed by the Board to hold an office in the Company;
Register of Directors and Officers	the register of directors and officers referred to in these Bye-laws;
Register of Members	the register of Members referred to in these Bye-laws;
Resident Representative	any person appointed to act as resident representative and includes any deputy or assistant resident representative;
Secretary	the person appointed to perform any or all of the duties of the secretary of the Company and includes any deputy secretary, assistant secretary and any person appointed by the Board to perform any of the duties of the Secretary;
Secured Institution	has the meaning attributed to that term in Bye-law 11.8; and

Treasury Share	a share of the Company that was or is treated as having been acquired and held by the Company and has been continuously by the Company since it was so acquired has not been cancelled.
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- 1.2 In these Bye-laws, where not inconsistent with the context:
- (a) words denoting the plural number include the singular number and *vice versa*;
 - (b) words denoting the masculine gender include the feminine and neuter genders;
 - (c) words importing persons include companies, associations or bodies of persons whether corporate or not;
 - (d) the words:-
 - (i) "may" shall be construed as permissive; and
 - (ii) "shall" shall be construed as imperative;
 - (e) a reference to statutory provision shall be deemed to include any amendment or re-enactment thereof;
 - (f) the word "corporation" means a corporation whether or not a company within the meaning of the Act; and
 - (g) unless otherwise provided herein, words or expressions defined in the Act shall bear the same meaning in these Bye-laws.
- 1.3 In these Bye-laws expressions referring to writing or its cognates shall, unless the contrary intention appears, include facsimile, printing, lithography, photography, electronic mail and other modes of representing words in visible form.
- 1.4 Headings used in these Bye-laws are for convenience only and are not to be used or relied upon in the construction hereof.

SHARES

2. Power to Issue Shares

- 2.1 Subject to these Bye-laws and to any resolution of the Members to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares on such terms and conditions as it may determine and any shares or class of shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Company may by resolution of the Members prescribe.
- 2.2 Subject to the Act, any preference shares may be issued or converted into shares that (at a determinable date or at the option of the Company or the holder) are liable to be redeemed on such terms and in such manner as may be determined by the Board (before the issue or conversion).

3. Power of the Company to Purchase its Shares

- 3.1 The Company may purchase its own shares for cancellation or acquire them as Treasury Shares in accordance with the Act on such terms as the Board shall think fit.
- 3.2 The Board may exercise all the powers of the Company to purchase or acquire all or any part of its own shares in accordance with the Act.

4. Rights Attaching to Shares

- 4.1 Subject to any resolution of the Members to the contrary (and without prejudice to any special rights conferred thereby on the holders of any other shares or class of shares), the share capital shall be divided into shares of a single class the holders of which shall, subject to these Bye-laws:
- (a) be entitled to one vote per share;
 - (b) be entitled to such dividends as the Board may from time to time declare;
 - (c) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and
 - (d) generally be entitled to enjoy all of the rights attaching to shares.
- 4.2 All the rights attaching to a Treasury Share shall be suspended and shall not be exercised by the Company while it holds such Treasury Share and, except where required by the Act, all Treasury Shares shall be excluded from the calculation of any percentage or fraction of the share capital, or shares, of the Company.
- 4.3 Except as ordered by a court of competent jurisdiction or as required by law and save as provided in Bye-law 11.1, no person shall be recognised by the Company as holding any share upon trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or in any fractional part of a share or (except only as otherwise provided in these Bye-laws or by law) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. Calls on Shares

- 5.1 The Board may make such calls as it thinks fit upon the Members in respect of any monies (whether in respect of nominal value or premium) unpaid on the shares allotted to or held by such Members and, if a call is not paid on or before the day appointed for payment thereof, the Member may at the discretion of the Board be liable to pay the Company interest on the amount of such call at such rate as the Board may determine, from the date when such call was payable up to the actual date of payment. The Board may differentiate between the holders as to the amount of calls to be paid and the times of payment of such calls.
- 5.2 The joint holders of a share shall be jointly and severally liable to pay all calls and any interest, costs and expenses in respect thereof.
- 5.3 The Company may accept from any Member the whole or a part of the amount remaining unpaid on any shares held by him, although no part of that amount has been called up.

6. Forfeiture of Shares

- 6.1 If any Member fails to pay, on the day appointed for payment thereof, any call in respect of any share allotted to or held by such Member, the Board may, at any time thereafter during such time as the call remains unpaid, direct the Secretary to forward such Member a notice in writing in the form, or as near thereto as circumstances admit, of the following:

Notice of Liability to Forfeiture for Non-Payment of Call
[Name of Company] (the "Company")

You have failed to pay the call of [amount of call] made on [date], in respect of the [number] share(s) [number in figures] standing in your name in the Register of Members of the Company, on [date], the day appointed for payment of such call. You are hereby notified that unless you pay such call together with interest thereon at the rate of [] per annum computed from the said [date] at the registered office of the Company the share(s) will be liable to be forfeited.

Dated this [date]

[Signature of Secretary] By Order of the Board

- 6.2 If the requirements of such notice are not complied with, any such share may at any time thereafter before the payment of such call and the interest due in respect thereof be forfeited by a resolution of the Board to that effect, and such share shall thereupon become the property of the Company and may be disposed of as the Board shall determine. Without limiting the generality of the foregoing, the disposal may take place by sale, repurchase, redemption or any other method of disposal permitted by and consistent with these Bye-laws and the Act.
- 6.3 A Member whose share or shares have been so forfeited shall, notwithstanding such forfeiture, be liable to pay to the Company all calls owing on such share or shares at the time of the forfeiture, together with all interest due thereon and any costs and expenses incurred by the Company in connection therewith.
- 6.4 The Board may accept the surrender of any shares which it is in a position to forfeit on such terms and conditions as may be agreed. Subject to those terms and conditions, a surrendered share shall be treated as if it had been forfeited.

7. Share Certificates

- 7.1 Every Member shall be entitled to a certificate under the common seal (or a facsimile thereof) of the Company or bearing the signature (or a facsimile thereof) of a Director or the Secretary or a person expressly authorised to sign specifying the number and, where appropriate, the class of shares held by such Member and whether the same are fully paid up and, if not, specifying the amount paid on such shares. The Board may by resolution determine, either generally or in a particular case, that any or all signatures on certificates may be printed thereon or affixed by mechanical means.

- 7.2 The Company shall be under no obligation to complete and deliver a share certificate unless specifically called upon to do so by the person to whom the shares have been allotted.
- 7.3 If any share certificate shall be proved to the satisfaction of the Board to have been worn out, lost, mislaid, or destroyed the Board may cause a new certificate to be issued and request an indemnity for the lost certificate if it sees fit.

8. Fractional Shares

The Company may issue its shares in fractional denominations and deal with such fractions to the same extent as its whole shares and shares in fractional denominations shall have in proportion to the respective fractions represented thereby all of the rights of whole shares including (but without limiting the generality of the foregoing) the right to vote, to receive dividends and distributions and to participate in a winding-up.

REGISTRATION OF SHARES

9. Register of Members

- 9.1 The Board shall cause to be kept in one or more books a Register of Members and shall enter therein the particulars required by the Act.
- 9.2 The Register of Members shall be open to inspection without charge at the registered office of the Company on every business day, subject to such reasonable restrictions as the Board may impose, so that not less than two hours in each business day be allowed for inspection. The Register of Members may, after notice has been given in accordance with the Act, be closed for any time or times not exceeding in the whole thirty days in each year.

10. Registered Holder Absolute Owner

The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not be bound to recognise any equitable claim or other claim to, or interest in, such share on the part of any other person.

11. Mortgages, Charges and Transfers of Shares

- 11.1 Members may mortgage or charge their shares in the Company.
- 11.2 An instrument of transfer shall be in writing in the form of the following, or as near thereto as circumstances admit, or in such other form as the Board may accept:

Transfer of a Share or Shares
[Name of Company] (the "Company")

FOR VALUE RECEIVED..... [amount], I, [name of transferor] hereby sell, assign and transfer unto [transferee] of [address], [number] shares of the Company.

DATED this [date]

Signed by:

In the presence of:

Transferor

Witness

Signed by:

In the presence of:

Transferee_____
Witness

- 11.3 Such instrument of transfer shall be signed by (or in the case of a party that is a corporation, on behalf of) the transferor and transferee, provided that, in the case of a fully paid share, the Board may accept the instrument signed by or on behalf of the transferor alone. The transferor shall be deemed to remain the holder of such share until the same has been registered as having been transferred to the transferee in the Register of Members.
- 11.4 The Board may refuse to recognise any instrument of transfer unless it is accompanied by the certificate in respect of the shares to which it relates and by such other evidence as the Board may reasonably require showing the right of the transferor to make the transfer.
- 11.5 The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased Member may transfer any such share to the executors or administrators of such deceased Member.
- 11.6 The Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share. The Board shall refuse to register a transfer unless all applicable consents, authorisations and permissions of any governmental body or agency in Bermuda have been obtained. If the Board refuses to register a transfer of any share the Secretary shall, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.
- 11.7 Notwithstanding anything to the contrary in these Bye-laws, shares that are listed or admitted to trading on an appointed stock exchange may be transferred in accordance with the rules and regulations of such exchange.
- 11.8 Notwithstanding anything contained in these Bye-laws, the Board shall promptly register any transfer of shares and may not suspend registration thereof where such transfer:
- (a) is in accordance with the terms of any security, to the bank or institution to which such shares have been mortgaged or charged by way of security whether for its own account or as agent for a group of banks or institutions or otherwise, or to any nominee or any transferee of such bank or institution (a "Secured Institution"); or
 - (b) is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares, in accordance with the terms of the security; or
 - (c) is executed by a Secured Institution pursuant to the power of sale or other power under and in accordance with the terms of such security.

12. Transmission of Registered Shares

- 12.1 In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the Act, for the purpose of this Bye-law, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member.
- 12.2 Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share, and in such case the person becoming entitled shall execute in favour of such nominee an instrument of transfer in writing in the form, or as near thereto as circumstances admit, of the following:

Transfer by a Person Becoming Entitled on Death/Bankruptcy of a Member
[Name of Company] (the "Company")

I/We, having become entitled in consequence of the [death/bankruptcy] of [name and address of deceased/bankrupt Member] to [number] share(s) standing in the Register of Members of the Company in the name of the said [name of deceased/bankrupt Member] instead of being registered myself/ourselves, elect to have [name of transferee] (the "Transferee") registered as a transferee of such share(s) and I/we do hereby accordingly transfer the said share(s) to the Transferee to hold the same unto the Transferee, his or her executors, administrators and assigns, subject to the conditions on which the same were held at the time of the execution hereof; and the Transferee does hereby agree to take the said share(s) subject to the same conditions.

DATED this [date]

Signed by:

In the presence of:

 Transferor

 Witness

Signed by:

In the presence of:

 Transferee

 Witness

- 12.3 On the presentation of the foregoing materials to the Board, accompanied by such evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.
- 12.4 Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to such share or shares and the Company shall recognise no

claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

ALTERATION OF SHARE CAPITAL

13. Power to Alter Capital

- 13.1 The Company may if authorised by resolution of the Members increase, divide, consolidate, subdivide, change the currency denomination of, diminish or otherwise alter or reduce its share capital in any manner permitted by the Act.
- 13.2 Where, on any alteration or reduction of share capital, fractions of shares or some other difficulty would arise, the Board may deal with or resolve the same in such manner as it thinks fit.

14. Variation of Rights Attaching to Shares

If, at any time, the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a resolution passed by a majority of the votes cast at a separate general meeting of the holders of the shares of the class at which meeting the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class. The rights conferred upon the holders of the shares of any class or series issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class or series, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

DIVIDENDS AND CAPITALISATION

15. Dividends

- 15.1 The Board may, subject to these Bye-laws and in accordance with the Act, declare a dividend to be paid to the Members, in proportion to the number of shares held by them, and such dividend may be paid in cash or wholly or partly in specie in which case the Board may fix the value for distribution in specie of any assets. No unpaid dividend shall bear interest as against the Company.
- 15.2 The Board may fix any date as the record date for determining the Members entitled to receive any dividend.
- 15.3 The Company may pay dividends in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.
- 15.4 The Board may declare and make such other distributions (in cash or in specie) to the Members as may be lawfully made out of the assets of the Company. No unpaid distribution shall bear interest as against the Company.

16. Power to Set Aside Profits

The Board may, before declaring a dividend, set aside out of the surplus or profits of the Company, such amount as it thinks proper as a reserve to be used to meet contingencies or for equalising dividends or for any other purpose.

17. Method of Payment

- 17.1 Any dividend, interest, or other monies payable in cash in respect of the shares may be paid by cheque or draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the holder may in writing direct.
- 17.2 In the case of joint holders of shares, any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or draft sent through the post directed to the address of the holder first named in the Register of Members, or to such person and to such address as the joint holders may in writing direct. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.
- 17.3 The Board may deduct from the dividends or distributions payable to any Member all monies due from such Member to the Company on account of calls or otherwise.

18. Capitalisation

- 18.1 The Board may capitalise any amount for the time being standing to the credit of any of the Company's share premium or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such amount in paying up unissued shares to be allotted as fully paid bonus shares pro rata to the Members.
- 18.2 The Board may capitalise any amount for the time being standing to the credit of a reserve account or amounts otherwise available for dividend or distribution by applying such amounts in paying up in full, partly or nil paid shares of those Members who would have been entitled to such amounts if they were distributed by way of dividend or distribution.

MEETINGS OF MEMBERS**19. Annual General Meetings**

Subject to an election made by the Company in accordance with the Act to dispense with the holding of annual general meetings, an annual general meeting of the Company shall be held in each year (other than the year of incorporation) in the United Kingdom at such time and place as the President or the Chairman (if any) or any two Directors or any Director and the Secretary or the Board shall appoint.

20. Special General Meetings

The president or the chairman of the Company (if any) or any two Directors or any Director and the Secretary or the Board may convene a special general meeting whenever in their judgment such a meeting is necessary.

21. Requisitioned General Meetings

The Board shall, on the requisition of Members holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up share capital of the Company as at the date of the deposit carries the right to vote at general meetings, forthwith proceed to convene a special general meeting and the provisions of the Act shall apply.

22. Notice

- 22.1 At least five days' notice of an annual general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held, that the election of Directors will take place thereat, and as far as practicable, the other business to be conducted at the meeting.
- 22.2 At least five days' notice of a special general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, time, place and the general nature of the business to be considered at the meeting.
- 22.3 The Board may fix any date as the record date for determining the Members entitled to receive notice of and to vote at any general meeting.
- 22.4 A general meeting shall, notwithstanding that it is called on shorter notice than that specified in these Bye-laws, be deemed to have been properly called if it is so agreed by (i) all the Members entitled to attend and vote thereat in the case of an annual general meeting; and (ii) by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving a right to attend and vote thereat in the case of a special general meeting.
- 22.5 The accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

23. Giving Notice and Access

- 23.1 A notice may be given by the Company to a Member:
 - (a) by delivering it to such Member in person, in which case the notice shall be deemed to have been served upon such delivery; or
 - (b) by sending it by post to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served seven days after the date on which it is deposited, with postage prepaid, in the mail; or
 - (c) by sending it by courier to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served two days after the date on which it is deposited, with courier fees paid, with the courier service; or
 - (d) by transmitting it by electronic means (including facsimile and electronic mail, but not telephone) in accordance with such directions as may be given by such Member to the Company for such purpose, in which case the notice shall be deemed to have been served at the time that it would in the ordinary course be transmitted; or
 - (e) by delivering it in accordance with the provisions of the Act pertaining to delivery of electronic records by publication on a website, in which case the notice shall be deemed to have been served at the time when the requirements of the Act in that regard have been met.
- 23.2 Any notice required to be given to a Member shall, with respect to any shares held jointly by two or more persons, be given to whichever of such persons is named first in the

Register of Members and notice so given shall be sufficient notice to all the holders of such shares.

- 23.3 In proving service under paragraphs 23.1(b), (c) and (d), it shall be sufficient to prove that the notice was properly addressed and prepaid, if posted or sent by courier, and the time when it was posted, deposited with the courier, or transmitted by electronic means.

24. Postponement of General Meeting

The Secretary may postpone any general meeting called in accordance with these Bye-laws (other than a meeting requisitioned under these Bye-laws) provided that notice of postponement is given to the Members before the time for such meeting. Fresh notice of the date, time and place for the postponed meeting shall be given to each Member in accordance with these Bye-laws.

25. Electronic Participation in Meetings

Members may participate in any general meeting by such telephonic, electronic or other communication facilities or means as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

26. Quorum at General Meetings

- 26.1 At any general meeting two or more persons present in person and representing in person or by proxy in excess of 50% of the total issued voting shares in the Company throughout the meeting shall form a quorum for the transaction of business, provided that if the Company shall at any time have only one Member, one Member present in person or by proxy shall form a quorum for the transaction of business at any general meeting held during such time.
- 26.2 If within half an hour from the time appointed for the meeting a quorum is not present, then, in the case of a meeting convened on a requisition, the meeting shall be deemed cancelled and, in any other case, the meeting shall stand adjourned to the same day one week later, at the same time and place or to such other day, time or place as the Secretary may determine. Unless the meeting is adjourned to a specific date, time and place announced at the meeting being adjourned, fresh notice of the resumption of the meeting shall be given to each Member entitled to attend and vote thereat in accordance with these Bye-laws.

27. Chairman to Preside at General Meetings

Unless otherwise agreed by a majority of those attending and entitled to vote thereat, the chairman or the president of the Company, if there be one, shall act as chairman of the meeting at all general meetings at which such person is present. In their absence a chairman of the meeting shall be appointed or elected by those present at the meeting and entitled to vote.

28. Voting on Resolutions

- 28.1 Subject to the Act and these Bye-laws, any question proposed for the consideration of the Members at any general meeting shall be decided by the affirmative votes of a majority of the votes cast in accordance with these Bye-laws and in the case of an equality of votes the resolution shall fail.
- 28.2 No Member shall be entitled to vote at a general meeting unless such Member has paid all the calls on all shares held by such Member.

-
- 28.3 At any general meeting a resolution put to the vote of the meeting shall, in the first instance, be voted upon by a show of hands and, subject to any rights or restrictions for the time being lawfully attached to any class of shares and subject to these Bye-laws, every Member present in person and every person holding a valid proxy at such meeting shall be entitled to one vote and shall cast such vote by raising his hand.
- 28.4 In the event that a Member participates in a general meeting by telephone, electronic or other communication facilities or means, the chairman of the meeting shall direct the manner in which such Member may cast his vote on a show of hands.
- 28.5 At any general meeting if an amendment is proposed to any resolution under consideration and the chairman of the meeting rules on whether or not the proposed amendment is out of order, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
- 28.6 At any general meeting a declaration by the chairman of the meeting that a question proposed for consideration has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in a book containing the minutes of the proceedings of the Company shall, subject to these Bye-laws, be conclusive evidence of that fact.

29. Power to Demand a Vote on a Poll

- 29.1 Notwithstanding the foregoing, a poll may be demanded by any of the following persons:
- (a) the chairman of such meeting; or
 - (b) at least three Members present in person or represented by proxy; or
 - (c) any Member or Members present in person or represented by proxy and holding between them not less than one-tenth of the total voting rights of all the Members having the right to vote at such meeting; or
 - (d) any Member or Members present in person or represented by proxy holding shares in the Company conferring the right to vote at such meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total amount paid up on all such shares conferring such right.
- 29.2 Where a poll is demanded, subject to any rights or restrictions for the time being lawfully attached to any class of shares, every person present at such meeting shall have one vote for each share of which such person is the holder or for which such person holds a proxy and such vote shall be counted by ballot as described herein, or in the case of a general meeting at which one or more Members are present by telephone, electronic or other communication facilities or means, in such manner as the chairman of the meeting may direct and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded and shall replace any previous resolution upon the same matter which has been the subject of a show of hands. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- 29.3 A poll demanded for the purpose of electing a chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and in such manner during such meeting as the chairman (or acting chairman) of the meeting may direct. Any business other than that upon which a poll has been demanded may be conducted pending the taking of the poll.

- 29.4 Where a vote is taken by poll, each person physically present and entitled to vote shall be furnished with a ballot paper on which such person shall record his vote in such manner as shall be determined at the meeting having regard to the nature of the question on which the vote is taken, and each ballot paper shall be signed or initialled or otherwise marked so as to identify the voter and the registered holder in the case of a proxy. Each person present by telephone, electronic or other communication facilities or means shall cast his vote in such manner as the chairman of the meeting shall direct. At the conclusion of the poll, the ballot papers and votes cast in accordance with such directions shall be examined and counted by a committee of not less than two Members or proxy holders appointed by the chairman of the meeting for the purpose and the result of the poll shall be declared by the chairman of the meeting.

30. Voting by Joint Holders of Shares

In the case of joint holders, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

31. Instrument of Proxy

- 31.1 An instrument appointing a proxy shall be in writing in substantially the following form or such other form as the chairman of the meeting shall accept:

Proxy
[Name of Company] (the "Company")

I/We, [insert names here], being a Member of the Company with [number] shares, HEREBY APPOINT [name] of [address] or failing him, [name] of [address] to be my/our proxy to vote for me/us at the meeting of the Members to be held on [date] and at any adjournment thereof. [Any restrictions on voting to be inserted here.]

Signed this [date]

Member(s)

- 31.2 The instrument appointing a proxy must be received by the Company at the registered office or at such other place or in such manner as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at which the person named in the instrument appointing a proxy proposes to vote, and an instrument appointing a proxy which is not received in the manner so prescribed shall be invalid.
- 31.3 A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf in respect of different shares.
- 31.4 The decision of the chairman of any general meeting as to the validity of any appointment of a proxy shall be final.
- 31.5 Any Shareholder may irrevocably appoint a proxy and in such case:
- (a) such proxy shall be irrevocable in accordance with the terms of the instrument of appointment;

- (b) the Company shall be given notice of the appointment, such notice to include the name, address, telephone number and electronic mail address of the proxy holder and the Company shall give to the holder of such proxy notice of all meetings of shareholders of the Company;
- (c) the holder of such proxy shall be the only person entitled to vote the relevant shares at any meeting at which such holder is present; and
- (d) the Company shall be obliged to recognise the holder of such proxy until such time as such holder shall notify the Company in writing that such proxy is no longer in force.

32. Representation of Corporate Member

- 32.1 A corporation which is a Member may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual Member, and that Member shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.
- 32.2 Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation which is a Member.

33. Adjournment of General Meeting

The chairman of a general meeting may, with the consent of the Members at any general meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting. Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned, fresh notice of the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat in accordance with these Bye-laws.

34. Written Resolutions

- 34.1 Subject to these Bye-laws, anything which may be done by resolution of the Company in general meeting or by resolution of a meeting of any class of the Members may be done without a meeting by written resolution in accordance with this Bye-law.
- 34.2 Notice of a written resolution shall be given, and a copy of the resolution shall be circulated to all Members who would be entitled to attend a meeting and vote thereon. The accidental omission to give notice to, or the non-receipt of a notice by, any Member does not invalidate the passing of a resolution.
- 34.3 A written resolution is passed when it is signed by (or in the case of a Member that is a corporation, on behalf of) the Members who at the date that the notice is given represent such majority of votes as would be required if the resolution was voted on at a meeting of Members at which all Members entitled to attend and vote thereat were present and voting.
- 34.4 A resolution in writing may be signed in any number of counterparts.
- 34.5 A resolution in writing made in accordance with this Bye-law is as valid as if it had been passed by the Company in general meeting or by a meeting of the relevant class of Members, as the case may be, and any reference in any Bye-law to a meeting at which a

resolution is passed or to Members voting in favour of a resolution shall be construed accordingly.

34.6 A resolution in writing made in accordance with this Bye-law shall constitute minutes for the purposes of the Act.

34.7 This Bye-law shall not apply to:

(a) a resolution passed to remove an Auditor from office before the expiration of his term of office; or

(b) a resolution passed for the purpose of removing a Director before the expiration of his term of office.

34.8 For the purposes of this Bye-law, the effective date of the resolution is the date when the resolution is signed by (or in the case of a Member that is a corporation, on behalf of) the last Member whose signature results in the necessary voting majority being achieved and any reference in any Bye-law to the date of passing of a resolution is, in relation to a resolution made in accordance with this Bye-law, a reference to such date.

35. Directors Attendance at General Meetings

The Directors shall be entitled to receive notice of, attend and be heard at any general meeting.

DIRECTORS AND OFFICERS

36. Election of Directors

36.1 The Board shall be elected or appointed in the first place at the statutory meeting of the Company and thereafter, except in the case of a casual vacancy, at the annual general meeting or at any special general meeting called for that purpose.

36.2 At any general meeting the Members may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.

37. Number of Directors

The Board shall consist of not less than one Director or such number in excess thereof as the Members may determine.

38. Term of Office of Directors

Directors shall hold office for such term as the Members may determine or, in the absence of such determination, until the next annual general meeting or until their successors are elected or appointed or their office is otherwise vacated.

39. Alternate Directors

39.1 At any general meeting, the Members may elect a person or persons to act as a Director in the alternative to any one or more Directors or may authorise the Board to appoint such Alternate Directors.

39.2 Unless the Members otherwise resolve, any Director may appoint a person or persons to act as a Director in the alternative to himself by notice deposited with the Secretary.

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- 39.3 Any person elected or appointed pursuant to this Bye-law shall have all the rights and powers of the Director or Directors for whom such person is elected or appointed in the alternative, provided that such person shall not be counted more than once in determining whether or not a quorum is present.
- 39.4 An Alternate Director shall be entitled to receive notice of all Board meetings and to attend and vote at any such meeting at which a Director for whom such Alternate Director was appointed in the alternative is not personally present and generally to perform at such meeting all the functions of such Director for whom such Alternate Director was appointed.
- 39.5 An Alternate Director's office shall terminate –
- (a) in the case of an alternate elected by the Members:
 - (i) on the occurrence in relation to the Alternate Director of any event which, if it occurred in relation to the Director for whom he was elected to act, would result in the termination of that Director; or
 - (ii) if the Director for whom he was elected in the alternative ceases for any reason to be a Director, provided that the alternate removed in these circumstances may be re-appointed by the Board as an alternate to the person appointed to fill the vacancy; and
 - (b) in the case of an alternate appointed by a Director:
 - (i) on the occurrence in relation to the Alternate Director of any event which, if it occurred in relation to his appointor, would result in the termination of the appointor's directorship; or
 - (ii) when the Alternate Director's appointor revokes the appointment by notice to the Company in writing specifying when the appointment is to terminate; or
 - (iii) if the Alternate Director's appointor ceases for any reason to be a Director.

40. Removal of Directors

- 40.1 Subject to any provision to the contrary in these Bye-laws, the Members entitled to vote for the election of Directors may, at any special general meeting convened and held in accordance with these Bye-laws, remove a Director provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director not less than 14 days before the meeting and at such meeting the Director shall be entitled to be heard on the motion for such Director's removal.
- 40.2 If a Director is removed from the Board under this Bye-law the Members may fill the vacancy at the meeting at which such Director is removed. In the absence of such election or appointment, the Board may fill the vacancy.

41. Vacancy in the Office of Director

- 41.1 The office of Director shall be vacated if the Director:

- (a) is removed from office pursuant to these Bye-laws or is prohibited from being a Director by law;
- (b) is or becomes bankrupt, or makes any arrangement or composition with his creditors generally;
- (c) is or becomes of unsound mind or dies; or
- (d) resigns his office by notice to the Company.

41.2 The Board shall have the power to appoint any person as a Director to fill a vacancy on the Board occurring as a result of the death, disability, disqualification or resignation of any Director and to appoint an Alternate Director to any Director so appointed.

42. Remuneration of Directors

The remuneration (if any) of the Directors shall be determined by the Company in general meeting and shall be deemed to accrue from day to day. The Directors may also be paid all travel, hotel and other expenses properly incurred by them (or in the case of a director that is a corporation, by its representative or representatives) in attending and returning from the Board meetings, any committee appointed by the Board, general meetings, or in connection with the business of the Company or their duties as Directors generally.

43. Defect in Appointment

All acts done in good faith by the Board, any Director, a member of a committee appointed by the Board, any person to whom the Board may have delegated any of its powers, or any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or person acting as aforesaid, or that he was, or any of them were, disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or act in the relevant capacity.

44. Directors to Manage Business

The business of the Company shall be managed and conducted by the Board in the United Kingdom. In managing the business of the Company, the Board may exercise all such powers of the Company as are not, by the Act or by these Bye-laws, required to be exercised by the Company in general meeting.

45. Powers of the Board of Directors

The Board may:

- (a) appoint, suspend, or remove any manager, secretary, clerk, agent or employee of the Company and may fix their remuneration and determine their duties;
- (b) exercise all the powers of the Company to borrow money and to mortgage or charge or otherwise grant a security interest in its undertaking, property and uncalled capital, or any part thereof, and may issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or any third party;
- (c) appoint one or more Directors to the office of managing director or chief executive officer of the Company, who shall, subject to the control of the Board, supervise and administer all of the general business and affairs of the Company;

- (d) appoint a person to act as manager of the Company's day-to-day business and may entrust to and confer upon such manager such powers and duties as it deems appropriate for the transaction or conduct of such business;
- (e) by power of attorney, appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be an attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such period and subject to such conditions as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions so vested in the attorney;
- (f) procure that the Company pays all expenses incurred in promoting and incorporating the Company;
- (g) delegate any of its powers (including the power to sub-delegate) to a committee of one or more persons appointed by the Board which may consist partly or entirely of non-Directors, provided that every such committee shall conform to such directions as the Board shall impose on them and provided further that the meetings and proceedings of any such committee shall be governed by the provisions of these Bye-laws regulating the meetings and proceedings of the Board, so far as the same are applicable and are not superseded by directions imposed by the Board;
- (h) delegate any of its powers (including the power to sub-delegate) to any person on such terms and in such manner as the Board may see fit;
- (i) present any petition and make any application in connection with the liquidation or reorganisation of the Company;
- (j) in connection with the issue of any share, pay such commission and brokerage as may be permitted by law; authorise any company, firm, person or body of persons to act on behalf of the Company for any specific purpose and in connection therewith to execute any deed, agreement, document or instrument on behalf of the Company; and
- (k) notwithstanding any other powers of the Directors, any Director of the Company, acting singly or the Secretary upon receipt of the written confirmation of any one Director, be and is hereby authorised to approve, execute and deliver a power of attorney on behalf of the Company in such form and with such terms as such Director may in their unfettered discretion determine, (such determination to be conclusively evidenced by such Director's execution or written confirmation thereof), including under the common seal of the Company (if appropriate) for the purposes of authorising any one or more individuals to sign on behalf of the Company acting as shareholder of any of its subsidiaries.

46. Register of Directors and Officers

The Board shall cause to be kept in one or more books at the registered office of the Company a *Register of Directors and Officers* and shall enter therein the particulars required by the Act.

47. Appointment of Officers

The Board may appoint such Officers (who may or may not be Directors) as the Board may determine for such terms as the Board deems fit.

48. Appointment of Secretary

The Secretary shall be appointed by the Board from time to time for such term as the Board deems fit.

49. Duties of Officers

The Officers shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Board from time to time.

50. Remuneration of Officers

The Officers shall receive such remuneration as the Board may determine.

51. Conflicts of Interest

51.1 Any Director, or any Director's firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company on such terms, including with respect to remuneration, as may be agreed between the parties. Nothing herein contained shall authorise a Director or a Director's firm, partner or company to act as Auditor to the Company.

51.2 A Director who is directly or indirectly interested in a contract or proposed contract with the Company (an "Interested Director") shall declare the nature of such interest as required by the Act.

51.3 An Interested Director who has complied with the requirements of the foregoing Bye-law may:

- (a) vote in respect of such contract or proposed contract; and/or
- (b) be counted in the quorum for the meeting at which the contract or proposed contract is to be voted on,

and no such contract or proposed contract shall be void or voidable by reason only that the Interested Director voted on it or was counted in the quorum of the relevant meeting and the Interested Director shall not be liable to account to the Company for any profit realised thereby.

52. Indemnification and Exculpation of Directors and Officers

52.1 The Directors, Resident Representative, Secretary and other Officers (such term to include any person appointed to any committee by the Board) acting in relation to any of the affairs of the Company or any subsidiary thereof and the liquidator or trustees (if any) acting in relation to any of the affairs of the Company or any subsidiary thereof and every one of them (whether for the time being or formerly), and their heirs, executors and administrators (each of which an "indemnified party"), shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and no indemnified party shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any monies or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any monies of or belonging to the

Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to any of the indemnified parties. Each Member agrees to waive any claim or right of action such Member might have, whether individually or by or in the right of the Company, against any Director or Officer on account of any action taken by such Director or Officer, or the failure of such Director or Officer to take any action in the performance of his duties with or for the Company or any subsidiary thereof, PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to such Director or Officer.

52.2 The Company may purchase and maintain insurance for the benefit of any Director or Officer against any liability incurred by him under the Act in his capacity as a Director or Officer or indemnifying such Director or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Director or Officer may be guilty in relation to the Company or any subsidiary thereof.

52.3 The Company may advance monies to a Director or Officer for the costs, charges and expenses incurred by the Director or Officer in defending any civil or criminal proceedings against him, on condition that the Director or Officer shall repay the advance if any allegation of fraud or dishonesty in relation to the Company is proved against him.

MEETINGS OF THE BOARD OF DIRECTORS

53. Board Meetings

53.1 All meetings of the Board shall be held in the United Kingdom.

53.2 Subject to Bye-law 53.1, the Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit. Subject to these Bye-laws, a resolution put to the vote at a meeting of the Board shall be carried by the affirmative votes of a majority of the votes cast and in the case of an equality of votes the resolution shall fail.

54. Notice of Board Meetings

A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Board meeting. Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to such Director verbally (including in person or by telephone) or otherwise communicated or sent to such Director by post, electronic means or other mode of representing words in a visible form at such Director's last known address or in accordance with any other instructions given by such Director to the Company for this purpose.

55. Electronic Participation in Meetings

55.1 Subject to Bye-law 55.2, Directors may participate in any meeting by such telephonic, electronic or other communication facilities or means as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

55.2 Any meeting of the Board held by means of telephone, electronic or other communication facilities shall be initiated from the United Kingdom.

56. Representation of Corporate Director

56.1 A Director which is a corporation may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual Director, and that Director shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.

56.2 Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at Board meetings on behalf of a corporation which is a Director.

57. Quorum at Board Meetings

The quorum necessary for the transaction of business at a meeting of the Board shall be the majority of the Directors in office, and the majority of Directors present at a meeting of the Board must be individuals who are resident in the United Kingdom.

58. Board to Continue in the Event of Vacancy

The Board may act notwithstanding any vacancy in its number but, if and so long as its number is reduced below the number fixed by these Bye-laws as the quorum necessary for the transaction of business at Board meetings, the continuing Directors or Director may act for the purpose of (i) summoning a general meeting; or (ii) preserving the assets of the Company.

59. Chairman to Preside

Unless otherwise agreed by a majority of the Directors attending, the chairman or the president of the Company, if there be one, shall act as chairman of the meeting at all Board meetings at which such person is present. In their absence a chairman of the meeting shall be appointed or elected by the Directors present at the meeting.

60. Written Resolutions

A resolution signed by (or in the case of a Director that is a corporation, on behalf of) all the Directors, which may be in counterparts, shall be as valid as if it had been passed at a Board meeting duly called and constituted, such resolution to be effective on the date on which the resolution is signed by (or in the case of a Director that is a corporation, on behalf of) the last Director. For the purposes of this Bye-law only, "the Directors" shall not include an Alternate Director.

61. Validity of Prior Acts of the Board

No regulation or alteration to these Bye-laws made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation or alteration had not been made.

CORPORATE RECORDS**62. Minutes**

The Board shall cause minutes to be duly entered in books provided for the purpose:

- (a) of all elections and appointments of Officers;

- (b) of the names of the Directors present at each Board meeting and of any committee appointed by the Board; and
- (c) of all resolutions and proceedings of general meetings of the Members, Board meetings, meetings of managers and meetings of committees appointed by the Board.

63. Place Where Corporate Records Kept

Minutes prepared in accordance with the Act and these Bye-laws shall be kept by the Secretary at the registered office of the Company.

64. Form and Use of Seal

- 64.1 The Company may adopt a seal in such form as the Board may determine. The Board may adopt one or more duplicate seals for use in or outside Bermuda.
- 64.2 A seal may, but need not, be affixed to any deed, instrument or document, and if the seal is to be affixed thereto, it shall be attested by the signature of (i) any Director, or (ii) any Officer, or (iii) the Secretary, or (iv) any person authorised by the Board for that purpose.
- 64.3 A Resident Representative may, but need not, affix the seal of the Company to certify the authenticity of any copies of documents.

ACCOUNTS

65. Records of Account

- 65.1 The Board shall cause to be kept proper records of account with respect to all transactions of the Company and in particular with respect to:
 - (a) all amounts of money received and expended by the Company and the matters in respect of which the receipt and expenditure relates;
 - (b) all sales and purchases of goods by the Company; and
 - (c) all assets and liabilities of the Company.
- 65.2 Such records of account shall be kept at the registered office of the Company or, subject to the Act, at such other place as the Board thinks fit and shall be available for inspection by the Directors during normal business hours.
- 65.3 Such records of account shall be retained for a minimum period of five years from the date on which they are prepared.

66. Financial Year End

The financial year end of the Company may be determined by resolution of the Board and failing such resolution shall be 31st December in each year.

AUDITS

67. Annual Audit

Subject to any rights to waive laying of accounts or appointment of an Auditor pursuant to the Act, the accounts of the Company shall be audited at least once in every year.

68. Appointment of Auditor

- 68.1 Subject to the Act, the Members shall appoint an auditor to the Company to hold office for such term as the Members deem fit or until a successor is appointed.
- 68.2 The Auditor may be a Member but no Director, Officer or employee of the Company shall, during his continuance in office, be eligible to act as an Auditor of the Company.

69. Remuneration of Auditor

- 69.1 The remuneration of an Auditor appointed by the Members shall be fixed by the Company in general meeting or in such manner as the Members may determine.
- 69.2 The remuneration of an Auditor appointed by the Board to fill a casual vacancy in accordance with these Bye-laws shall be fixed by the Board.

70. Duties of Auditor

- 70.1 The financial statements provided for by these Bye-laws shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards.
- 70.2 The generally accepted auditing standards referred to in this Bye-law may be those of a country or jurisdiction other than Bermuda or such other generally accepted auditing standards as may be provided for in the Act. If so, the financial statements and the report of the Auditor shall identify the generally accepted auditing standards used.

71. Access to Records

The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto, and the Auditor may call on the Directors or Officers for any information in their possession relating to the books or affairs of the Company.

72. Financial Statements and the Auditor's Report

- 72.1 Subject to the following bye-law, the financial statements and/or the auditor's report as required by the Act shall
- (a) be laid before the Members at the annual general meeting; or
 - (b) be received, accepted, adopted, approved or otherwise acknowledged by the Members by written resolution passed in accordance with these Bye-laws; or
 - (c) in circumstances where the Company has elected to dispense with the holding of an annual general meeting, be made available to the Members in accordance with the Act in such manner as the Board shall determine.
- 72.2 If all Members and Directors shall agree, either in writing or at a meeting, that in respect of a particular interval no financial statements and/or auditor's report thereon need be made available to the Members, and/or that no auditor shall be appointed then there shall be no obligation on the Company to do so.

73. Vacancy in the Office of Auditor

The Board may fill any casual vacancy in the office of the auditor.

VOLUNTARY WINDING-UP AND DISSOLUTION**74. Winding-Up**

If the Company shall be wound up the liquidator may, with the sanction of a resolution of the Members, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

CHANGES TO CONSTITUTION**75. Changes to Bye-laws**

No Bye-law may be rescinded, altered or amended and no new Bye-law may be made save in accordance with the Act and until the same has been approved by a resolution of the Board and by a resolution of the Members provided that where shares in the Company have been charged to a Secured Institution, no such amendment shall be made without the prior written consent of the Secured Institution or anyone authorised to act on its behalf.

76. Changes to the Memorandum of Association

No alteration or amendment to the Memorandum of Association may be made save in accordance with the Act and until same has been approved by a resolution of the Board and by a resolution of the Members provided that where shares in the Company have been charged to a Secured Institution, no such amendment or alteration shall be made without the prior written consent of the Secured Institution or anyone authorised to act on its behalf.

77. Discontinuance

The Board may exercise all the powers of the Company to discontinue the Company to a jurisdiction outside Bermuda pursuant to the Act.

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CERTIFICATE OF REGISTRATION OF AN OVERSEA COMPANY

(Registration of UK establishment)

Company Number **FC040731**

UK Establishment No. BR025846

The Registrar of Companies, hereby certifies that

ODFJELL TECHNOLOGY INVEST

has this day been registered under the Companies Act 2006 as having established a UK establishment in the United Kingdom

Given at Companies House on **7th July 2023**



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

Appendix 9 – Articles of association of Odfjell Platform Drilling AS

VEDTEKTER FOR ODFJELL PLATFORM DRILLING AS

Pr. 1. mars 2022

§ 1 Selskapets foretaksnavn

Selskapets navn er Odfjell Platform Drilling AS.

§ 2 Forretningskommune

Selskapets forretningskontor er i Bergen kommune. Generalforsamling kan også holdes utenfor Bergen kommune.

§ 3 Selskapets virksomhet

Selskapets formål er å drive oljeboring, konsulentvirksomhet og ingeniørtjenester, herunder eie aksjer i selskaper, og dermed forbundet virksomhet.

§ 4 Aksjekapital og aksjer

Selskapets aksjekapital er NOK 1 337 089 fordelt på 1 337 089 aksjer pålydende NOK 1.

§ 5 Styret

Selskapets styre består av 3 til 9 medlemmer. Selskapets firma tegnes av styrets formann eller to styremedlemmer i felleskap, der både et aksjonærvalgt styremedlem og en ansattrepresentant skal være representert. Styret kan meddele prokura.

§ 6 Generalforsamling

Generalforsamlingen innkalles av styret ved skriftlig henvendelse til alle aksjeeiere med kjent oppholdssted.

§ 7 Særlig om ordinær generalforsamling

På den ordinære generalforsamling behandles og avgjøres:

1. Godkjenning av årsregnskapet og årsberetningen, herunder utdeling av utbytte.
2. Andre saker som etter lov eller vedtekter hører inn under generalforsamlingen.

§ 8 Omsettelighet

Selskapets aksjer skal være fritt omsettelige, og overdragelse av aksjer skal følgelig ikke være betinget av samtykke fra selskapet.

Aksjeeier(ne) har ingen forkjøpsrett til aksjer som skal skifte eller har skiftet eier."

§ 9 Generelle bestemmelser

For øvrig henvises det til den enhver tid gjeldende aksjelovgivning.

Appendix 10 – Articles of association of Odfjell Technology AS

VEDTEKTER FOR ODFJELL TECHNOLOGY AS

(pr. 28. mars 2022)

§ 1 Foretaksnavn

Selskapets navn er Odfjell Technology AS.

§ 2 Forretningskommune

Selskapet skal ha sitt forretningskontor i Bergen kommune.

§ 3 Selskapets virksomhet

Selskapets virksomhet skal være å yte tjenester innen forretningsstøtte til andre selskaper i konsernet samt alt det som står i forbindelse herved.

§ 4 Aksjekapital og aksjer

Selskapets aksjekapital er NOK 249 194 fordelt på 249 194 aksjer pålydende NOK 1.

§ 5 Signatur

Selskapets styre består av 3 til 9 medlemmer. Selskapets firma tegnes av styrets formann eller to styremedlemmer i felleskap, der både et aksjonærvalgt styremedlem og en ansattrepresentant skal være representert. Styret kan meddele prokura.

§ 6 Innkalling til generalforsamling

Når dokumenter som gjelder saker som skal behandles på generalforsamlingen, er gjort tilgjengelige for aksjeeierne på selskapets nettsider, gjelder ikke aksjelovens krav om at dokumentene skal sendes til aksjeeierne. Dette gjelder også dokumenter som etter lov skal inntas i eller vedlegges innkallingen til generalforsamlingen.

§ 7 Omsettelighet

Selskapets aksjer skal være fritt omsettelige, og overdragelse av aksjer skal følgelig ikke være betinget av samtykke fra selskapet.

Aksjeeier(ne) har ingen forkjøpsrett til aksjer som skal skifte eller har skiftet eier.

Annual Report 2023

INNOVATE. INTEGRATE. ELEVATE.



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Highlights



Integrated supplier of offshore operations, well services technology, and engineering solutions, with over 2,400 employees operating in 26 countries worldwide.

2023 AT A GLANCE

NOK 5,021m

Revenue

0.6x

Leverage ratio (adj)

NOK 12.3b

Revenue backlog

15.2%

Women in workforce

NOK 840m

EBITDA

4.3x

EBITDA backlog vs NIBD

1,122 tCO₂eq

Scope 2 GHG emissions
from purchased electricity

3

Lost time injuries*

*Own workforce

CEO Letter



A commitment to stability

2023 was the first full year of Odfjell Technology, following the March 2022 spin-off from Odfjell Drilling. The year has been spent establishing and strengthening our structure, culture, and integrated service offerings. Our culture is about acting, delivering, and measuring, with a focus on people, performance, and predictability.

With truly devastating global conflicts creating so much pain and turmoil in our world, the effects are felt by all. We are navigating through uncertain times and these issues highlight the need for resilience and adaptability to address challenges and forge a path towards a more sustainable future.

At Odfjell Technology, we are committed to being a consistent and reliable business partner. I am proud of the hard work across the whole organisation to consistently deliver operational excellence and financial discipline, as well as ensuring we deliver growth in a safe and responsible manner.

Our HSE results in 2023 largely showed improvements, with no serious injuries or high potential incidents, but this work demands constant attention to ensure we keep people and the environment safe. Quality in our operations is crucial for our growth and expansion ambitions, and we need to ensure that we are always striving to get better. Risk management is deeply embedded in our organisation and the year saw continued focus and attention on cyber security.

Our financial performance shows revenue and EBITDA growth with consistent margin percentage levels, demonstrating a resilient business model which generates positive results and cash. This allowed us to pay our first dividend in June, with further quarterly dividends bringing the total dividend paid in 2023 to NOK 100 million. The control systems we have in place to maintain financial discipline and improve working capital, provide cashflow to support both investments and returns to shareholders.

The upturn in rig activity and exploration and production spend, has created growth potential for all our services. Well Services have started their journey of international growth with new operations in Namibia and Canada and continue to explore other options. We have secured contract extensions in our Operations Business Area and were delighted to invest in new office premises in Aberdeen, solidifying our commitment and growth ambitions for the UK market. In Projects & Engineering we had significant activity in Special Periodic Survey work, with high levels set to continue throughout 2024. To develop competency and capacity we have invested in a new engineering hub in Manila, and I am excited to see that facility grow.

Integrated services

Strengthening the ties between Well Services, Operations and Projects & Engineering is essential to delivering and developing Odfjell Technology's integrated services and products solutions. I have seen the power of collaboration, with departments cooperating to secure revenue as one team across various Business Areas. Close cooperation across borders has led to shared learnings and the fostering of the Odfjell Technology culture throughout all areas of the Group. Projects & Engineering continues to act as an enabler for executing innovative ideas, with technical people thinking operationally and working closely alongside colleagues from other Business Areas.

These integrated services offerings position us well to capture the vast decommissioning Plug & Abandonment ("P&A") market. We are building a strong P&A organisation, and our P&A offerings signify a commitment to responsible decommissioning and environmental stewardship.

Sustainability

The energy transition creates a dynamic and evolving industry where adaptability and innovation are key to navigating challenges and opportunities. As well as a focus on our own activities, we can support client's ambitions to perform operations in a more sustainable and efficient manner using our tools and technology. Ensuring a reliable energy supply for future generations requires a balance of traditional energy sources and renewables. During the year, Odfjell Oceanwind, which Odfjell Technology holds a share of, announced Mitsui O.S.K. Lines Ltd as an important shareholder and strategic

partner following a private placement. This transaction strengthens Odfjell Oceanwind's position as a global leader in floating offshore wind technologies.

During the year and into 2024, we have worked systematically to understand the ever-evolving landscape of sustainability reporting, educating and supporting the business to satisfy requirements, and ensure transparency. We have a strong emphasis on responsible and sustainable practices in our operations including adherence to stringent environmental regulations and industry standards.

I am also very pleased with the work that has been done with our Odfjell Technology Women's Network. Throughout the year, they have held workshops around the world providing a platform for women to connect, discuss professional development, and promote diversity and equal opportunities

Growth Ambitions

Our ambitions to grow centre around targeting a bigger international footprint with Well Services, entering new countries and markets where we can establish long term business, as evidenced by our entry into Namibia and Canada. They also include increasing Operations volume, including the jack-up market, through an unwavering commitment to excellent operations and strong client relationships. In addition, we are building competence and capacity in Projects & Engineering with motivated experts, which will allow us to capitalise on growth opportunities and support the energy transition.

Being able to adapt and embrace new opportunities, applying good risk management controls, is key to our long-term strategy. We aim to grow through innovation, global expansion, and operational excellence, with Mergers & Acquisitions ("M&A") being a potential route to increasing service offerings and technologies.

Key to all of this is the recruitment, retention and development of a skilled workforce. Dedication from the whole organisation will ensure we meet or exceed client needs and deliver shareholder value, all underpinned by our culture and core values.

Finally, I would like to say thank you to all our shareholders, clients, employees and vendors who have supported Odfjell Technology as it has embarked on its journey as a separate Group. The success of the Group is something I am very proud of and none of it would be possible without your support.

Simen Lieungh,
CEO Odfjell Technology AS



Our Business



OPERATIONS

- ✓ Platform drilling
- ✓ Mobile Offshore Unit and jack-up management
- ✓ Plug & Abandonment
- ✓ Drilling & maintenance
- ✓ Recertification
- ✓ Construction, Inspection and Rope Access Services



PROJECTS & ENGINEERING

- ✓ Front-end & studies
- ✓ Project execution: EP(C)(I)(C)
- ✓ Compliance management
- ✓ Asset Integrity Management
- ✓ Marine Services
- ✓ Technical services
- ✓ Heating, ventilation and air conditioning ("HVAC")
- ✓ Inspection services (UK)



WELL SERVICES

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

Our Business

Odfjell Technology is a highly integrated technology and engineering group delivering specialist services, technology and competence across the global energy value chain. Combining our three Business Areas of Well Services, Operations and Projects & Engineering ("P&E"), we provide a unique integrated services offering, focused on delivering safe, sustainable, cost-effective solutions to our clients across the globe. Collaboration is a core aspect of our operational philosophy and is crucial for leveraging performance improvement opportunities and showcasing our creativity in problem-solving.

P&A is an important part of our strategy to grow the business, utilising all of our Business Areas. This is an area we already have experience in, having worked on the P&A of assets in the UK North Sea for many years. There will be a significant amount of work in this field with over 400,000 wells worldwide being decommissioned and abandoned in the next few years and well abandonment itself can represent as much as 48% of total decommissioning cost. The continual development of Odfjell Technology products, such as our rigless unit concepts, challenge the traditional processes and are key to ensuring our clients maximise efficiency and minimise environmental impact, supporting the energy transition. In November, we attended the Annual Offshore Energies UK Decommissioning conference in St Andrews, Scotland, with a collaboration across our Business Areas from Norway and the UK showcasing our approach to decommissioning. Growing our portfolio of technical solutions is important and M&A is one route being considered for this.

Green Technology's ("GT") Combined Energy & Efficiency Management ("CEM") screening has been a door opener for several new, external customers. The screening maps client's current energy consumption and suggests a range of measures to improve the efficiency and reduce emissions. These are just some of the activities to support the energy transition.

Well Services

Rig count and activity was high throughout 2023, with a 30% increase in revenue from the previous year.

The strategic focus is to grow internationally while maintaining our position in traditional markets. 2023 saw us operating in new countries such as Namibia, Canada and Indonesia, and we expect to see growth in a number of areas in 2024. During the year we extended our base in Kenaman, Malaysia and see an upturn in contract wins there. Dedication and hard work from our team in Malaysia has brought us far in a short space of time, and we are ready to expand further.

With such an international footprint, it is important that there is a strong and inclusive Group culture that unites employees across the different regions. Executive Vice President ("EVP"), Elisabeth Haram travelled to several of our locations during 2023, talking about what ties us all together as one Odfjell Technology – our core values. These guide us in how we do business and through these, we foster a culture of collaboration and creativity.

In terms of products, there is a high focus on remotely operated technologies and on providing innovative products that improve efficiency and safety and which in turn reduce the environmental impact of operations.

As part of using our heritage for the energy transition, Odfjell Technology and our partners successfully completed a geothermal pilot project onshore Norway, in the city of Tromsø. This involved piloting a heat storage concept, storing heat from the summertime to heat water when needed in the winter. To do this, we utilised one of our proven rigless intervention units, which to date have been deployed over 200 times in Continental Europe, and this operation represented their first use in Norway for this type of work.

The rigless unit is just one of many products offered in our portfolio of complimentary, efficient and time saving technologies for P&A and other activities. We can offer a range of delivery models for clients, using partnerships to ensure we get the right solution for our client's specific challenges.

"It has been a privilege to travel to so many of our locations during the year and meet the committed teams who deliver for us day in day out, as well as our valued clients. Our international growth is an exciting opportunity to expand our Odfjell Technology family. P&A activities will provide growth opportunities in Norway and the UK, and we are committed to building a strong and stable P&A organisation."

Elisabeth Haram
EVP Well Services

Operations

2023 saw an increase in revenue with continued support to 16 fixed installations across Norway and the UK. We also completed the first full year of our management contract for the jack-up Linus. Jack-up management is a strategic target for us and our track record of implementing integrated services shows the power of collaboration in delivering outstanding results. We were delighted to announce in 2024 a new 5 year contract with Repsol for drilling services on Yme Inspirer.

Safety continues to be our priority and as well as internal campaigns, safety recognition awards and coaching, we have shared learnings not only across our own asset portfolio but also across the industry. Congratulations to our crew on Tern Alpha which won the Chair Award early 2023 for the Best Safety Performance – Platform, at the International Association of Drilling Contractors North Sea Chapter safety awards. As always though, there is room for improvement and dropped objects will be a focus for 2024.

During the year we were awarded a two-year contract extension with Serica Energy UK Ltd for the provision of storage, preservation, maintenance and platform drilling services on the Bruce platform in the UK North Sea. On the Mariner platform in the UK, Equinor exercised a one-year option for integrated services. Our order backlog shows security of contracts, some as far as 2031 including options. Our ambition is to grow the number of contracts and provide pull through opportunities for Well Services and P&E.

We strive for excellence in our operations and not just meet, but exceed client expectations, particularly in efficiently managing complex operations and setting new industry standards.

Our rig inspection service line has seen fantastic development throughout the year, and we see this as being a key contributor in our vision to support the energy transition.

We are fundamentally a people business and investing in the future of our workforce is crucial. Since 1999 our apprenticeship programmes have provided the business with innovative thinking and an important part of our workforce. This year we were delighted to take on another cohort of apprentices, including those working offshore.

“I am proud of what we have achieved in 2023, strengthening capabilities and working collaboratively across all our Business Areas to deliver value to our clients through integrated services. We see high tender activity and are well positioned to capitalise on this. I look forward to continuing our close working relationship with Well Services and P&E.”

Kurt Meinert Fjell

EVP Operations

Projects & Engineering

In 2023, P&E successfully delivered several exciting projects for clients in the energy sector, encompassing a wide range of activities, from managing major and complex brownfield projects to providing specialised advisory services.

The compliance services portfolio saw increased activity as we successfully managed Special Periodic Surveys, including multiple yard stays, for several of Odfjell Drilling's rigs.

Other notable projects included the reactivation of the Hercules and Deepsea Mira assets for Odfjell Drilling, the Heidrun B modification and upgrade for OSM Thone, and the Mariner DES and ICU modifications and upgrades for Equinor. These initiatives underscore our commitment to handling complex brownfield projects for clients.

In specialised advisory services, notable projects included studies like the CEM Screening of two Seadrill operated drillships for TotalEnergies, and a P&A feasibility study for Serica Bruce. Our engineers have also played a pivotal role for Odfjell Oceanwind's significant development throughout 2023. These projects demonstrate our expertise in providing focused and insightful advisory services – helping clients reduce fuel consumption and emissions, and also preparing for the energy transition. We have now created a dedicated vice president role for Energy Transition which will continue to drive our energy transition strategy and implement the same.

An example of collaboration and integrated services was the Energy and Emissions Reduction Screening carried out on Linus in 2023, identifying a package of emission reduction projects. This has now been evaluated, and an energy efficiency project has been approved for execution in 2024.

Our marine specialists continued to support Odfjell Drilling by conducting mooring and riser analyses, defining well-specific operating guidelines, and planning marine operations. Simultaneously, they took on responsibilities to ensure the safe operation of Linus, including planning the rig move of the jack-up. Our experts in maintenance and technical integrity played a pivotal role in assessing the known condition of our clients' assets and equipment, and implementing proactive inspection and maintenance schemes. Securing the frame agreement to provide services and maintenance to all Aker BP installations in a five-year contract marked a significant milestone for our HVAC-R department.

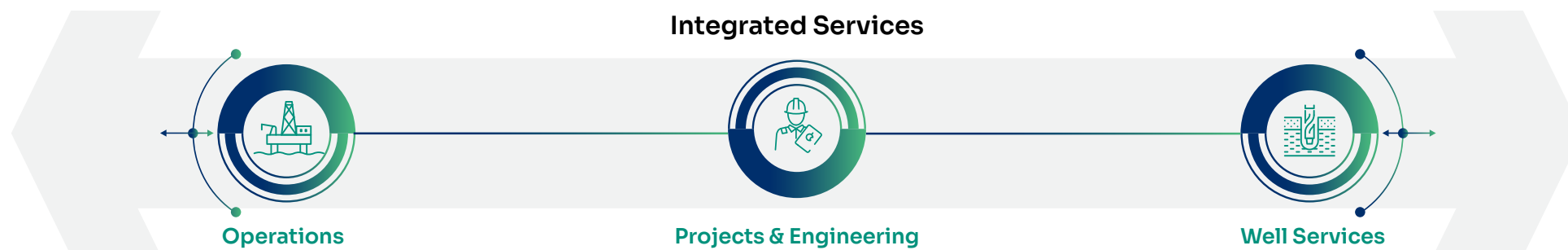
As activity levels for P&E continue to increase, we also need to secure and retain competent resources to increase our capacity. Over the course of 2023 our employee numbers have grown 35%, with contractor numbers also increasing. A significant move to address the resourcing challenges, is the opening of an engineering hub in Manila in November 2023. We already have a significant footprint in Manila

with our Global Business Services ("GBS"). We are delighted to take on 21 engineers locally, with our P&E Manager relocating from Norway to manage this new centre and ensure seamless collaboration with colleagues in other centres. This means we now have engineering hubs in Bergen, Stavanger, Aberdeen and Manila. With a strong onboarding process, we can ensure new resources in these hubs are aligned with our vision, values and work processes.

“2023 was marked by high activity and successful project deliveries across our wide service offering. We secured business delivery through a focus on streamlining and strengthening processes and enhancing the use of support systems, preparing us for growth. I am extremely impressed by the quality, commitment and dedication of the team we have built and their drive to deliver. I look forward to welcoming many more new employees and growing the team of qualified, motivated and engaged professionals, positioning us well for what is going to be a very busy 2024.”

Anne Siri Sævareid

EVP Projects & Engineering



QHSSE

" Odfjell Technology works continually to protect assets, and to prevent harm to people and the environment. Strong leadership, a thorough understanding of risk and the dedicated work to strengthen our QHSSE culture are essential in achieving this.

Eva Utskot

VP Quality, Health, Safety, Security, Environmental
("QHSSE")



QHSSE Management

Odfjell Technology works continually to maintain and develop the highest quality standards for our products and services, to protect assets, and to prevent harm to people and the environment. This requires leadership, strong understanding of risk and a continuous focus on QHSSE culture. QHSSE is a management responsibility starting with commitment from the top, cascaded down through line management.

Odfjell Technology promotes a QHSSE culture based on competence, commitment, mutual respect, empowerment, and involvement. The Plan-Do-Check-Act cycle is an integral part of our work culture to ensure continual improvement.



QHSSE Strategy 2023-2025

The three-year QHSSE strategy is the governing framework for developing the annual QHSSE programme. The QHSSE programme for 2023 set forth the main priorities, objectives and Key Performance Indicators ("KPI") that were monitored during the year.

Odfjell Technology's annual QHSSE programme 2023 was established along with Business Area specific QHSSE action plans. Inputs to the programme include:

- audit results
- KPI status
- data analyses and performance evaluations
- risk registers/risk analyses
- environmental aspects and impacts registers
- management reviews
- inputs from authorities, clients and the industry

Quality

Continuous improvement activities in 2023 under Quality Performance, focused on simplifying and standardising processes and procedures with a focus on digitalising systems and tools. Synergi, the incident management database, underwent a successful upgrade, offering a simplified experience for the end users and an improved overview of cases in our reporting tool, Power BI, for management use. The Synergi mobile app development was initiated in 2023 and will be available in 2024 for all Synergi users, rendering the incident management process even more efficient.

Quality initiatives also focussed on assuring competence and capacity. Kahuna, a new electronic, paperless system for assessing and verifying training and competence was introduced in 2023. Kahuna simplifies and streamlines the process for employees to access and verify the status of their training and competence records. The system also provides line managers and supervisors live reporting and data analytics to gain an overview of their team's competence. Kahuna minimises tasks and reduces time on administration, while enhancing communication between candidates, trainers, assessors, and line managers. The implementation of Kahuna in 2023 was a major milestone for developing and improving competence and capacity.

QHSSE Programme 2023

QUALITY PERFORMANCE	ALWAYS SAFE	SECURITY CONSCIOUS	ENVIRONMENTAL CARE
 <p>Assure competence & capacity</p> <p>Simplify & standardise</p> <p>Digitalise tools & processes</p> <p>Improve risk management</p>	 <p>Strengthen the QHSSE culture</p> <p>Prevent well control incidents</p> <p>Reduce dropped objects</p> <p>Protect and strengthen the working environment</p>	 <p>Safeguard people, assets and operations</p> <p>Enhance cyber security awareness</p>	 <p>Minimise environmental impact</p> <p>Optimise energy management</p>

Health, Safety and Security

Like every year, the 2023 QHSSE programme highlighted activities within Health and Safety to prevent injuries and well control incidents, reduce dropped objects and integrate human factors in the Health, Safety, Environmental ("HSE") culture. In 2023 all Business Areas implemented the Always Safe / Step Change in Safety annual themes, with the goal of improving safety through engagement, leadership, and collaboration. Each quarter in 2023 featured a campaign topic to reinforce awareness and learning of major accident hazards, preventing personal injuries and falling objects and managing physical and mental well-being in the workplace.

Another Health and Safety measure is the "I See You" initiative launched to supplement efforts to promote mental well-being. The initiative, which focuses on awareness and tips to strengthen mental health, uses short videos and safety moments to start conversations between colleagues on the importance of being inclusive, having good relationships, giving feedback, and understanding work-life balance. A good state of mind is an important barrier for safe operations.

Odfjell Technology had no serious injuries or high potential incidents in 2023 and achieved improvements in HSE performance for all KPIs. For an overview of Occupational Health, Safety, Security and Environmental KPIs please refer to the [Sustainability appendices](#).

Odfjell Technology believes that our Group culture makes a difference, and a solid culture is a prerequisite for delivering excellent results. In 2023 a new initiative was introduced to

strengthen the QHSSE culture, which involved a mapping of cultural qualities in the Group to understand the foundation. In addition, there were coaching sessions for onshore and offshore management in daily risk management, and pilot sessions on individual rigs to train, coach and observe management. This initiative will extend into 2024 covering more rigs and other parts of the business to further strengthen the QHSSE culture.

As the risk for cyber security threats has increased in recent years, the QHSSE programme was adjusted in 2023 to include a separate dedicated section - Security Conscious (including cyber security), and the S for security was added to QHSSE. You can read more about cyber security in our [Sustainability Statement](#). To highlight attention to security, the focus areas for the year featured safeguarding people, assets and operations while enhancing awareness of cyber security. In 2023, we operated in a heightened cyber security awareness period, and in response, the Cyber Security team was expanded, and the corporate cyber security management manual was updated. In addition, all employees were required to undergo mandatory cyber security awareness training through Cornerstone (web-based eLearning), with completion monitored by all departments. The IT department launched bimonthly phishing tests and shared results.

Emergency preparedness plans are established for all levels of the organisation and there is an annual plan for emergency drills and exercises based on defined hazard and accident situations, as well as legislative, internal and client expectations. Cyber security threats are part of

the emergency drills and preparation for any major scenario. Learnings and experiences from these exercises are used to improve our onshore and offshore emergency preparedness organisations.

Environment

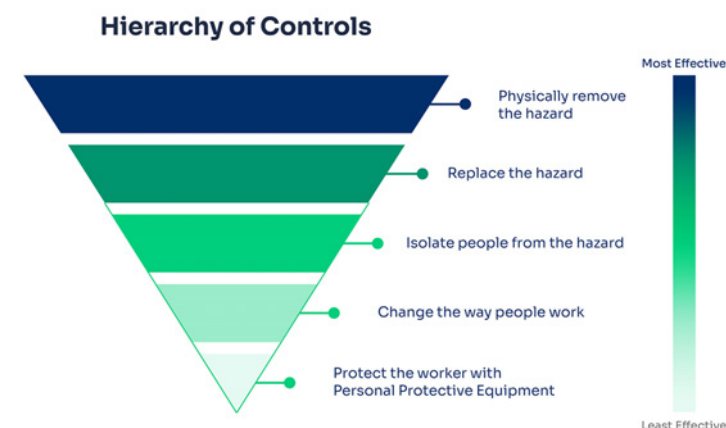
Odfjell Technology is certified to ISO 14001 to ensure our continuous commitment to environmental management and protection.

The QHSSE programme priorities for Environmental Care have focused on initiatives to reduce environmental impact, including reducing carbon emissions. Among these, are continuous monitoring and prevention of spills to sea and land through improved spill barriers. All Business Areas have introduced initiatives to improve management and substitution of hazardous chemicals and reduce waste through better supply chain practices. Due to the increased focus on accurate environmental reporting, Odfjell Technology is currently evaluating new software solutions for sustainability reporting in 2024.

Risk-based Approach

Odfjell Technology practices a QHSSE risk management process for all operations, by which hazards are identified, and associated risks are understood and managed in such a way that the risk levels are reduced to as low as reasonably practicable.

In 2023, a new digital risk management tool was established to increase focus and visibility on daily risk management and to improve the quality and efficiency of the risk management process. A major benefit of the new tool is a total, comprehensive risk overview. Risk is categorised on the operational level, the Business Area level and the corporate or enterprise level. By nominating and aggregating risks to the next level, and connecting risks to lower levels, risks are reported and addressed in a timely manner. The implementation of the new tool is making risk an integrated part of daily management, enabling continuous management of mitigating actions and improving quality in the process of identifying risks and defining actions.



Sustainability Statement

At Odfjell Technology, we want to use business as a force for good. Only by fully integrating sustainability into our business model and daily operations, can we become a sustainable business – a cornerstone to our vision of being a key enabler of the energy transition.

We believe that managing material environmental, social and governance ("ESG") matters are essential to reach our ambition of being the service provider, partner and employer of choice.

Our environment matters. Our people matter. Our conduct matters.

Sustainability matters.

Dear Odfjell Technology stakeholder,

The quest for safe, secure and sustainable energy creates one of the most critical challenges of our age - we agree that everyone should have access to affordable, clean and secure energy, and we want to support the energy transition in a way that leaves the world a better place for future generations.

Time is our most coveted and most unrenewable resource, and it is against us when it comes to the climate crisis and meeting the Paris Agreement. We recognise the need for urgency, which is why we decided to restructure the contents of this sustainability statement in preparation for the European Union ("EU") Corporate Sustainability Reporting Directive ("CSRD").

Like many other businesses, we are having to adapt quickly to meet the increasing regulation regarding sustainability disclosures. In 2023, we conducted a materiality assessment to help us understand which sustainability topics we should prioritise and invest in, which will have a greater positive impact in the long term for our business and our stakeholders.

As a result of this assessment, Odfjell Technology will concentrate on 6 focus areas:



Climate
change



Circular
economy
& waste



Human
rights



Own
workforce



Business
conduct



Cyber
security

We want to be a company that can effect real, tangible change as a force for good, and develop a culture of belonging for all employees. We recognise that by simply existing as a business we contribute to the environmental issues facing the planet, including climate change.

By focusing on what truly matters - progressing in the areas which are most material for our business and stakeholders - we can prepare a roadmap towards a greater positive impact for both our planet and our people.

Our sustainability strategy consists of three key pillars:

- our environment - Innovate solutions to support our journey to net-zero, zero-waste and the energy transition;
- our people - Safe people. Safe workplace. Safely home; and
- our business - Be brave. Be transparent. Act with integrity.

Becoming a sustainable company demands courage and action on all levels, from governments to corporates to individuals. After all, we only have one planet, and we believe we have a responsibility to protect and restore it to be able to pass it on to future generations.

Sincerely,

Odfjell Technology Executive Management Team

18 April 2024

General

This statement presents the ESG disclosures for Odfjell Technology for the period 1 January 2023 until 31 December 2023.

Reporting standards

In 2023, Odfjell Technology began preparing for the EU CSRD and the applicable European Sustainability Reporting Standards ("ESRS"), by integrating the sustainability report and the annual report, and restructured its sustainability disclosures as applicable.

Odfjell Technology will report in compliance with the implementation schedule of the CSRD and applicable ESRS in its 2024 annual report.

Principles for sustainability reporting





The purpose of our reporting is to provide stakeholders with a fair and balanced picture of relevant aspects, engagements, practices, and results for 2023. The Sustainability Statement is prepared on the same consolidated basis as the financial statements. The basis for preparation of sustainability information that relates to business relationships in non-consolidated entities, including Odfjell Technology's upstream or downstream value chain, is clearly identified as such. The Sustainability Statement is approved by the Board of Directors (the "Board").

Assurance

The Sustainability Statement has not been assured by independent third parties, but it will be subject to limited assurance for the year 2024.

UN Sustainable Development Goals

Odfjell Technology is committed to behaving as a responsible global citizen, and we have identified five United Nations Sustainability Development Goals where we believe Odfjell Technology can have the most impact:

				
<p>To achieve gender equality and empower all women and girls.</p> <p>Odfjell Technology worked with the Women's Network in 2023 to increase the number of women working in the industry. Networking events were held in Bergen, Stavanger and Dubai.</p>	<p>To promote inclusive and sustainable economic growth, employment and decent work for all.</p> <p>Odfjell Technology's priority is making sure all employees get home safely and providing a global culture of courage and belonging.</p>	<p>To ensure sustainable consumption and production patterns.</p> <p>Odfjell Technology is dedicated to delivering zero-waste operations through prevention, reduction, recycling and reuse.</p>	<p>Taking urgent action to tackle climate change and its impacts.</p> <p>Odfjell Technology is mapping its emissions with the over arching goal of reaching net-zero carbon emissions by 2050.</p>	<p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.</p> <p>Odfjell Technology is committed to acting responsibly by having strong and sound governance systems in place and being transparent in its communications.</p>

Sustainability governance

This section summarises how sustainability is managed and governed at Odfjell Technology.

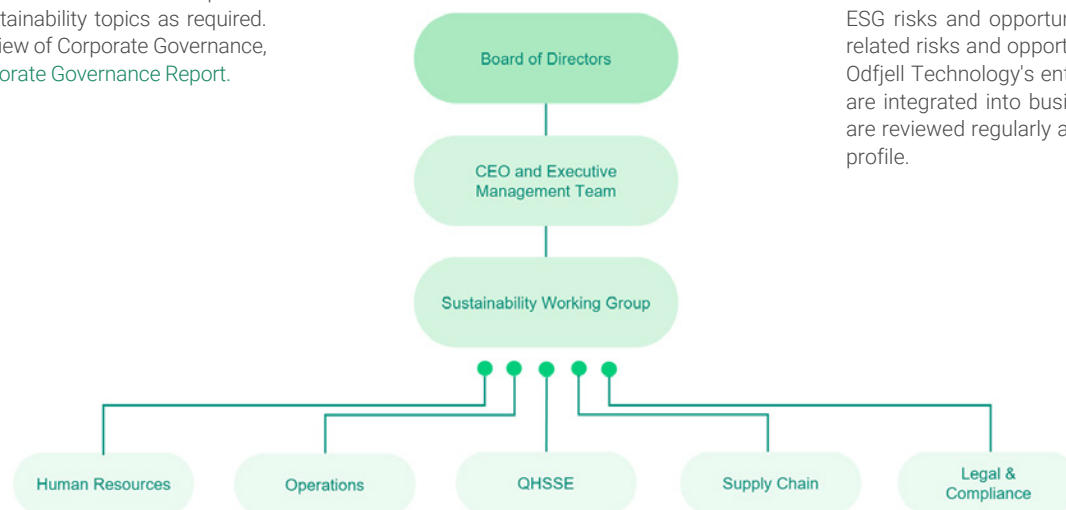
Group Sustainability

Group sustainability, led by the Sustainability Manager, is responsible for the design and implementation of the Group's sustainability strategy, with input from, and in cooperation with, each of the corporate and Group level functions, and Business Areas.

Governance model

The governance model and responsibilities are presented in the figure below. Sustainability is a consideration for the Odfjell Technology Ltd Board. The Board receives regular updates on sustainability matters and conducts deep dive discussions on sustainability topics as required. For a detailed overview of Corporate Governance, please see the [Corporate Governance Report](#).

The corporate Human Resources ("HR") and QHSSE functions oversee safety, health, working environment and security. QHSSE is also central in overseeing our environmental impact. The corporate Supply Chain Management ("SCM") function has a pivotal role in safeguarding human rights by ensuring responsible practices are implemented and followed in our value chain. The Compliance Officer is responsible for business ethics and compliance. The heads of these functions are responsible for strategy implementation and reporting on risk and performance to the Executive Management Team ("EMT") and the Board.



Additional information

In 2023, we have been preparing for the new disclosure requirements under the CSRD, related to governance of sustainability matters and the role of administrative, management and supervisory bodies. Additional roles and responsibilities are divided between the Board, committees and management as outlined in various sections in the [Corporate Governance Report](#). This section also provides information on our overall corporate governance, executive remuneration, and evaluation of governance.

Risk Management

ESG risks and opportunities, including climate-related risks and opportunities, are registered in Odfjell Technology's enterprise risk register and are integrated into business plans. These risks are reviewed regularly as part of our overall risk profile.

The Board

oversee the identification, management and mitigation of risk, including targets, policies, activities, and management systems related to sustainability.

Chief Executive Officer ("CEO") and EMT

hold the overall responsibility for sustainability performance with support from the Sustainability Manager.

Sustainability Working group

oversee and collaborate on strategy, policy and performance relating to sustainability activities across the Group. Chaired by the Sustainability Manager.

Sustainability Champions

within each Business Area support strategy implementation and follow up on day-to-day actions to ensure progress on the overarching targets of the Group.

Materiality approach

In preparation of the CSRD, we completed a materiality assessment to determine material topics for reporting using the ESRS adopted in July 2023.

The assessment mapped our major environmental, social and governance impacts against stakeholders' interests. As a result of this process, we have been able to identify sustainability topics we should prioritise and invest in. This in turn enables us to create value in the long term.

Topic identification

The assessment began with the identification of sustainability topics, using the topic list provided in the ESRS 1 General Requirements, as well as topics identified in the Global Reporting Initiative 11: Oil & Gas Sector 2021, and our Group Enterprise Risk Register.

We identified five stakeholder groups and assessed their views on sustainability matters via interviews, workshops and through desktop research:

- external stakeholders: Clients, competitors, legal and financial advisors
- internal stakeholders: The Board and employees

Assessment

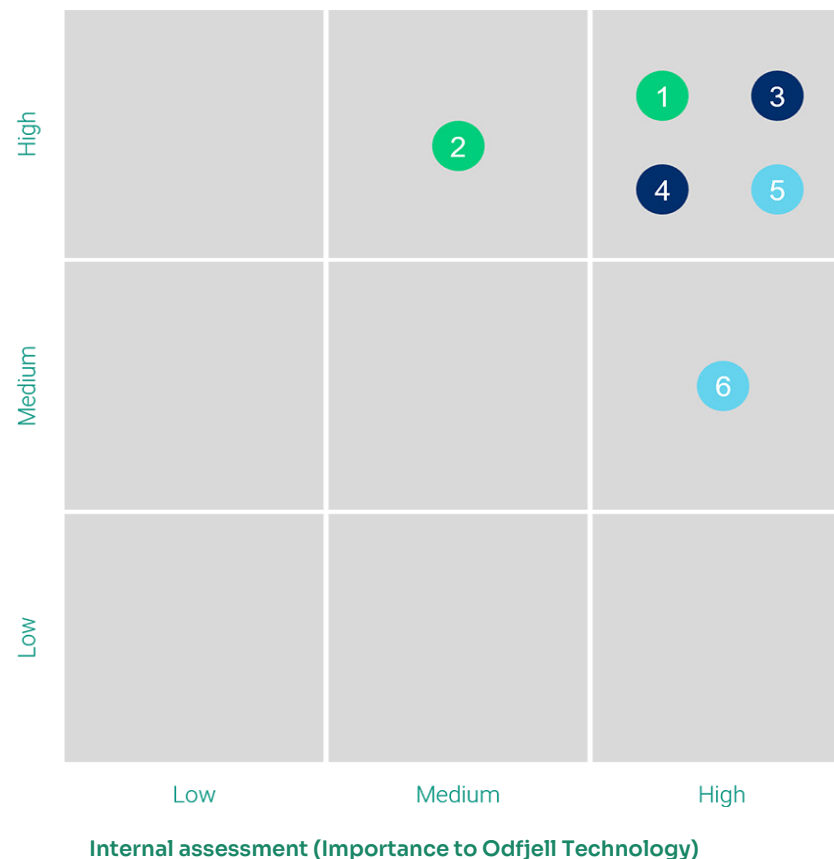
The sustainability matters were then scored, and the preliminary results were presented to the Board and EMT for validation. Six material sustainability matters were identified and positioned in the materiality matrix (see diagram).

Details on these topics can be found in the [Environment](#), [Social](#) and [Governance](#) sections of this statement. Having completed the materiality assessment, we will set targets and metrics for each of the topics in 2024.

Looking forward

While further progress is necessary, we have taken the fundamental steps to prepare for the upcoming EU CSRD disclosure requirements. During 2024, we will initiate a double materiality assessment process, supported by a stronger governance landscape, methods and tools, in accordance with the ESRS.

External assessment (Importance to stakeholders)



Topic tiering

Environment

- Climate change
- Circular economy and waste

Social

- Own workforce
- Human Rights

Governance

- Business conduct
- Cyber security risk

Environment



- Climate change
- Circular economy and waste

Climate change

Innovate solutions to support our journey to net-zero, zero-waste operations and the energy transition.

Ambition and approach

The transition to renewable energy is crucial to mitigate the impacts of climate change and Odfjell Technology is committed to leveraging its extensive experience and expertise to enable this transition. Our vision is to use our heritage to support the energy transition, harnessing our legacy to champion energy solutions that are reliable, affordable and sustainable. There are a number of different value chains and technologies that will play an important role in the energy transition, and we are supporting our clients in both emission reduction projects and partnering up to develop new solutions for future industries. We believe that supporting our clients in accelerating the shift to renewable energy is where we can have the most impact. In our strategic direction we have prioritised segments where we will look to use our unique competitive advantages to develop innovative and cost-efficient solutions.

Our climate change mitigation ambitions, are therefore to:

- broaden our opportunities in renewables: we are dedicated to expanding our presence in the renewables sector by integrating our services and solutions to meet the evolving needs of our clients
- focus on early-phase studies: we recognise the significance of early-phase studies and concepts in shaping the trajectory of the energy transition and aim to increase our footprint in this important phase of project development
- offer innovative services: we are committed to developing and delivering innovative, cost-efficient solutions across prioritised green energy segments
- build strategic partnerships: we seek strategic partnerships and alliances that align with our values and objectives, ensuring a winning value proposition for clients and wider stakeholders

We recognise the importance of minimising our environmental impact and operating in a sustainable manner. The foundation to mitigate environmental impact is anchored at the corporate level in our HSE Policy and the annual QHSSE Programme. For more information about our approach to risk management, see our [QHSSE section](#) and [Board of Director's Report](#).

We actively invest in research and development and innovation, including Offshore Wind, Plug and Abandonment, Hydrogen, Geothermal Energy and Green Technology. In addition, we strategically evaluate other green technologies. This investment underscores our dedication to support the energy transition and be actively involved in sustainable innovation.

In January 2024, we appointed a new Vice President ("VP") Energy Transition tasked with driving the energy transition strategy for Odfjell Technology. In this regard, we are evaluating our long-term risks which will be used to help form our energy transition strategy.

At Odfjell Technology, we recognise both risks and opportunities regarding how we operate, to ensure we minimise our environmental impact, and our role in the future demand for alternative energy sources. The demand for our services and products is linked to our clients' market for energy. As the world transitions to replacing hydrocarbon energy sources with renewables, Odfjell Technology remains committed to adapting its products, services and operations to align with the evolving energy landscape.

Looking forward

Odfjell Technology will complete a strategic evaluation of business opportunities, aimed to create a roadmap to support the energy transition and assist our clients in reaching their goals and ambitions in this regard.

As we look ahead, we understand the importance of both climate mitigation and adaptation strategies to ensure long-term resilience, planning for all impacts and risks and being prepared to address evolving challenges and seize emerging opportunities. Moreover, we are committed to playing our part in the global efforts to meet the objectives of the Paris Agreement.

Climate change adaptation

With a commitment to robust operations and governance, our organisation strategically integrates climate risks and opportunities into its overall enterprise risk management approach. In 2022, we undertook the development of climate risk assessments for the Group, aimed at reporting in compliance with both the GRI 2021 standard and the TCFD framework.

Following this analysis, we systematically prioritised the identified risks and opportunities based on their timelines for impacting our business and their implications for our organisation. This prioritisation process has allowed us to pinpoint primary risks, assess their impact on the group, and identify potential courses of action.

Furthermore, we are actively engaged in the process of quantifying these risks to facilitate future reporting, in alignment with the ESRS.

The top physical and transition risks are outlined in the table below with time horizons of short-term (0-5 years), medium-term (5-10 years), and long-term (10+ years):

Risk	Category and time horizon	Description	Impact	Mitigating actions
Transitional	Regulatory Short term	Tracking data and reporting requirements	Increased resources, skills and tools required for capturing and reporting data to meet regulatory requirements	Develop in-house expertise in meeting requirements Monitor new regulations to fully understand requirements before mandatory Perform gap analysis between current data available and future requirements, as well as any need for investments and other activities to generate relevant data points
	Reputational Short term	Ability to attract and retain employees	Decreased availability of skilled resources. Issues attracting young talent to the industry and the cost of recruiting and retaining talent could increase	Implement training programmes to attract new talent to the industry Communicate the Group's strategy to support the energy transition
	Market Medium term	Changes in the behaviour of consumers	Reduced demand for oil and gas in the future, reducing activity in our current client base and therefore revenue	Diversification of client portfolio and services to support the energy transition
	Market Short to medium- term	Cost of and access to capital	Obtaining finance may be more challenging as banks transition to a low carbon portfolio. Cost of capital may go up, and debt capacity could be reduced, resulting in increased interest costs	Consider the availability and use of Green Bonds for capital to invest in green investments and develop a low carbon oil and gas portfolio
Physical	Acute Short to medium- term	Impact of extreme weather on offshore operations	Stronger winds and increased wave height can affect crane operations and the exchange of crew and equipment. Impact on operational downtime and revenue, as well as increased overtime costs for waiting on weather	Review critical spare parts kept offshore Planning for accommodating waiting on weather impacts Address commercial robustness of contracts for weather events
	Acute Short to medium- term	Heat, floods and tropical storms	Can cause disruptions to operations and support centres resulting in higher costs	Where applicable, explore remote working opportunities and working from home Monitor suitability of locations for operations Have business continuity plans in place to deal with disruptions
	Acute Short to medium- term	Heat Stress	Disruptions in MEAA operations and impact on ability of employees to work outside affecting efficiency. Impact on the maintenance and storage of equipment with a resulting increase in costs	Increased weather planning in project timeline schedules and health tracking for employees if temperatures become excessive Ensure equipment stored in accordance with physical requirements e.g. in cooled areas or inside rather than outside if subject to sandstorms

Greenhouse Gas ("GHG") emissions

Odfjell Technology is aligned with the global efforts to limit climate change and the goals of the Paris Agreement. Our commitment extends to achieving net-zero operations by 2050 and playing a role in the decarbonisation of the offshore energy sector. Our primary focus lies in making the most substantial impact by reducing emissions for our clients.

GHG accounting approach

Through GHG accounting and a comprehensive emission reduction programme, we are actively working towards setting our first milestone towards achieving our overall goal of net-zero by 2050, prioritising energy efficiency to accelerate our progress.

Our GHG accounting follows internationally recognised standards, including the GHG protocol and ISO 14064.

Our focus is to establish an accurate GHG emissions baseline and have our GHG accounting externally assured. We mapped our Scope 1, 2 and 3 emissions to set clear targets and milestones towards achieving carbon neutrality. Our efforts in GHG accounting practices include an ongoing refinement of our methodologies, data collecting processes and reporting procedures to ensure accuracy, transparency and alignment with best practices.

Redefining GHG reporting boundaries

In our ongoing commitment to environmental responsibility, Odfjell Technology conducted a reassessment of our GHG reporting boundaries in 2023. This review was initiated to ensure the

accuracy and integrity of our emissions reporting, particularly considering our role operating, and as managers of, assets that are not owned by our company.

Odfjell Technology adheres to the principles outlined in the GHG Protocol and the CSRD requirements, addressing the importance of aligning our reporting with the entity that exercises primary control over emissions. Therefore, the complexity of ownership and operatorship structures within the oil and gas industry, alongside our numerous partnerships and contractual arrangements, was carefully evaluated during this review process.

Regarding our managed jack-up Linus, it became evident that the operational control of this asset during contracted periods predominantly resides with the Exploration and Production ("E&P") Operator. As per industry standards, and the GHG protocol, emissions are rightfully attributed to the entity that exercises operational control over the asset. Therefore, while we manage the day-to-day operations and maintenance of the asset, drilling equipment and operational parameters are predominantly dictated by the E&P Operator under contract and our clients rightfully report these emissions as part of their Scope 1 inventory.

This means that going forward, all GHG emissions for managed rigs, including Linus, are reported as Scope 3, Category 3 - Fuel and energy-related activities. Odfjell Technology is fully committed to adhering to this guidance and will reflect its principles in our 2024 report and going forward, demonstrating our dedication to transparent and accurate emissions reporting practices.

GHG emissions

	Retrospective
	2023
Scope 1 GHG emissions	
Gross Scope 1 GHG emissions (tCO ₂ eq)	Not available
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	Not available
SCOPE 2 GHG EMISSIONS	
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	1,122
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	Not available
SIGNIFICANT SCOPE 3 GHG EMISSIONS	
Category 3.	
Fuel and energy-related activities (Linus) (not included in Scope 1 or Scope 2) (tCO ₂ eq)	17,420
Category 4.	
Upstream transportation and distribution (tCO ₂ eq)	2,159
Category 6	
Business travel (tCO ₂ eq)	3,424
Total scope 3	23,003
TOTAL GHG EMISSIONS	
Total GHG emissions (Location based) (tCO ₂ eq)	24,125
Total GHG emissions (Market-based) (tCO ₂ eq)	Not available

Management of Scope 1 and 2 emissions

Odfjell Technology actively manages and monitors Scope 1 and 2 emissions to minimise our environmental impact.

The Group's Scope 1 CO₂ emissions stem from company cars, forklifts, power units and other machinery used in our operations. These emission sources are being mapped and quantified in 2024.

Indirect Scope 2 emissions in the Group arise from the electricity purchased by the Group from a utility provider for onshore facilities including offices, workshops, and supply bases.

In our efforts to reduce our Scope 2 emissions, we have implemented a global "green office guideline", managed and monitored by location managers. This guideline offers best practices for reducing the environmental impact of office activities, promoting energy efficiency, waste reduction, and responsible resource use. We are particularly pleased with the installation of solar panels at our Odfjell Business Centre in Bergen in 2023, which produced 15% of the total electricity consumed.

Management of Scope 3 emissions

Scope 3 emissions are continuously mapped. These encompass a broad range of activities including purchased goods and services, capital

goods, upstream and downstream transportation of goods, business travel, employee commuting and waste generated.

Our supply chain procurement procedures prioritise the most emission-efficient freight, e.g. sea freight is prioritised over land transport. The purchaser and logistics functions are responsible for managing and monitoring performance under these policies.

The Group's travel policy sets out the rules for travel activity for all employees, with an objective to minimise business travel and make it as efficient as possible. Travel policies are managed and monitored by the Group Travel Manager.

In our ongoing commitment to environmental responsibility, Odfjell Technology plans to expand our Scope 3 emissions overview in the coming years by engaging with our key clients and suppliers in our value chain.

To enhance our environmental performance, we are incorporating the ESRS reporting requirements into our supply chain data management. Emission data is meticulously reported at the Group level, encompassing all upstream and downstream transportation of goods booked through our frame agreement logistics providers. Currently, this reporting system captures approximately 85% of all logistics activity within the Group.

Looking forward

Our objective for 2024 is to further align the GHG accounting with the ESRS. This involves integrating environmental reporting with financial reporting, overseen by the CFO, Sustainability Manager and VP of Group Accounting. Our focus will be on establishing robust internal controls, enhancing and integrating reporting software, and refining reporting procedures to synchronise with established financial processes.

Additive Manufacturing and Digital Warehousing solutions

In our pursuit of reducing our emissions, we are exploring innovative solutions such as additive manufacturing and digital warehousing.

In recent years, Odfjell Technology has been actively exploring the possibilities and advantages of additive manufacturing for producing spare parts. Given the global geopolitical instability and its potential impact on our access to crucial spare parts precisely when and where we require them, it has become imperative to adopt new technologies.

Additive manufacturing not only addresses these concerns but also plays a pivotal role in promoting a sustainable supply chain. The ability to locally manufacture, repair, and modify parts, rather than shipping them over long distances, promises significant reductions in freight emissions, costs, vulnerability, and lead times.

Furthermore, additive manufacturing facilitates the transition to a circular economy, allowing us to reintegrate waste into our own value chain for reuse. In addition, transitioning from physical inventories to digital inventories, wherever feasible and advantageous, will result in reduced storage costs, decreased power consumption, and more efficiently allocated capital.

Circular economy and waste

Ambition and approach

Our goal is to eliminate all unnecessary waste in our operations. Odfjell Technology will always comply with all relevant rules and regulations in the countries in which we operate, and will seek options to minimise our environmental impact in all aspects of our business practices.

The material waste output comes from both offshore and onshore operations. While we manage waste from onshore operations, waste from offshore operations is handled by the E&P Operator. Waste management is heavily regulated, and waste segregation and recycling are governed by internal procedures and E&P Operators' requirements based on local legislation.

We operate under the principles of waste management hierarchy and life-cycle thinking. Waste minimisation is at the core of our approach and waste is segregated at the point of generation into established categories.

Waste management

Minimising waste generation and promoting the principles of "reduce, reuse and recycle" are fundamental to our Environmental Principles at Odfjell Technology. The Group has established corporate procedures for the segregation and safe storage, handling and disposal of waste. Implementing robust waste management also reduces the risk of spills and their potential effect on local communities and the environment.

The differing requirements across regions have presented challenges when it comes to consistent data reporting and meaningful comparisons. Our initiative seeks to tackle this problem and enhance the uniformity and precision of waste generation and disposal data. In 2022, we implemented a more systematic approach to reporting onshore waste through a SharePoint platform. This resulted in an increase of data collection, expanding to 9 locations of the total 18 locations of the Group.

Responsible and local consumption

Our HSE Policy emphasises the consideration of environmentally preferable products and services in our procurement processes. This includes purchasing consumables from local suppliers and selecting consumables with minimal packaging

whenever possible. In addition, one of our Environmental Principles is to systematically replace or reduce harmful chemicals. Substitution of harmful chemicals with green alternatives is a continuous effort for the Group and standardising the chemical catalogue across rigs and workshops has helped drive this forward.

Onshore waste

Type	Unit	2022	2023
Hazardous waste	kg	51,366	356,755*
Non-hazardous waste	kg	361,146	383,015
Waste to landfill**	kg	-	Not available
Waste to recycling**	kg	-	Not available
Total	kg	413,412	739,770

* Increase in hazardous waste due to increased reporting from more locations worldwide into Sharepoint and hazardous waste removal from materials in the tearing down and re-construction related to a workshop upgrade project.

** Waste to landfill data and waste to recycling data to be mapped in 2024 in line with ESRS E5-5.

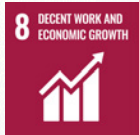
Waste generated in leased premises where we typically share space, have been included in the total waste calculation. This data is calculated by applying an occupancy-area based approach.

Looking forward

In our ongoing efforts to enhance our sustainability performance, we are actively working to improve our data-collection processes related to waste generation and waste disposal, further promoting circularity principles throughout our business processes and operations. In 2024, we will place increased emphasis on enhancing our reporting process for waste generated in onshore operations.

Odfjell Technology will continue to work with clients, industry partners and stakeholders to identify technologies and solutions to further improve our waste management practices and promote these across our industry.

Social



→ Own workforce

→ Human rights



Own workforce

Safe people. Safe workplace. Safely home.

Ambition and approach

Odfjell Technology is a people-oriented business. We are comprised of more than 2,400 employees who are passionate about supporting the Group's vision. The assurance of employee well-being, a positive working environment, and responsible employment practices is paramount to the success of Odfjell Technology.

We strive to create a safe, healthy, diverse and inclusive working environment for all. Our approach to health and safety work is guided by our commitment to prevent harm. Positive employment practices means being compliant with labour laws and ensuring good working conditions for employees, a prerequisite for any business. As a global Group, we have a responsibility to ensure that our actual and potential impact on human rights is mitigated across our value chain.

The Group has an ambition of being "Always Safe" and maintaining the highest safety standards in all activities and services. It is one of our core values. We believe this is achieved with an organisational culture based on competence, commitment, mutual respect, empowerment, and involvement. Employee engagement and participation is essential to ensure safe operations.

Our procedures are the framework for operating our business, and are continually improved based on learnings from both successes and failures. Understanding risk in daily operations and understanding the root causes when incidents happen, helps us learn. Sharing the learnings and transferring experiences openly throughout our organisation helps us improve. Ensuring that we have a good working environment, where employees can develop and feel part of the team, are important aspects of health and well-being.

Monitoring sick leave and employee turnover keeps us informed of the overall status in the organisation's working environment, in addition to the Global Working Environment Survey. The Group has

a high focus on competence assurance and leadership development, to create an organisational culture with good values, attitudes and conditions for collaboration.

Odfjell Technology is characterised by an ethical standard regarded by employees, clients and the community, as being lawful, reasonable and correct. Further, we safeguard the security of our assets, material and personnel on all our locations based on local risk assessments.

Health and Safety

The Group recognise that the nature of onshore and offshore operations poses an inherent risk to personnel health and safety. Leadership, strong understanding of risk, and a continuous focus on daily risk management are essential components in achieving and maintaining safe operations. This will always be our number one priority.

The Group's approach to health and safety includes safeguarding employees and contractors under Odfjell Technology's control. We have overall responsibility for occupational health and safety of our employees on rigs, in workshops, in offices and all applicable locations. We have the responsibility for our own personnel and subcontractors, but the E&P Operator has the overall responsibility for facilities and health services on board installations.

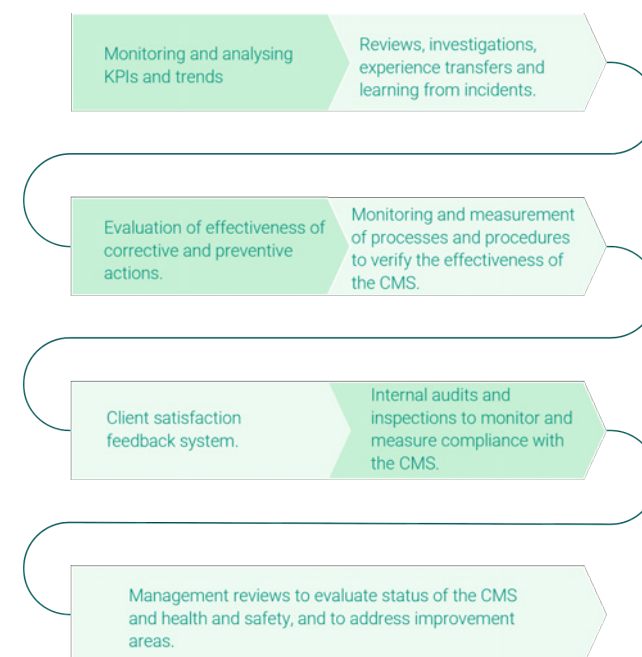
The Group's annual QHSSE Programme sets the overall objectives and improvement actions for the year, and Business Areas and units develop their own specific action plans supporting the QHSSE Programme. Please see [QHSSE section](#) for further detail.

Objectives, improvement actions and KPIs are established based on safety statistic trends, past performance, risk level, industry best practice, legislative requirements and input from employees and other stakeholders. The result of the KPIs are used to monitor performance and identify areas that need special attention and follow up by management.

Health and safety targets and metrics

We are committed to be among the safest companies in the energy industry and work systematically to reduce our Total Recordable Incident Rate ("TRIR"). TRIR includes 'lost time injuries' and 'medical treatment injuries'. The scope of our TRIR reporting includes Odfjell Technology employees and supervised contractors. Please find key insights and performance evaluation in the [appendix](#) of this report.

Process for evaluating health and safety performance



Responsible Employment Practices

Our people strategy is to attract, develop, retain, and inspire the best talent in the energy industry and to be the preferred employer of choice, while fostering a global culture built on courage and belonging. After all, it is our people who will ultimately help us achieve our vision of supporting the energy transition.

Safeguarding our workforce through secure employment has positive effects on our ability to maintain high levels of competency, promote our workplace culture as a great place to work, and continuously attract new talent. Consistency in our workforce enables employees to focus on core business activities in a safe manner and dedicate time for competency development.

Full time positions

It is the Group aim to offer full-time secure employment as broadly as possible. This practice adds stability within the employee base which in turn grows competency development and creates new opportunities for career development. (This practice supports UN Sustainability Goal 8) However, we also accommodate requests for part-time work to meet the needs of our employees.

Contractors and temporary personnel are used periodically to supplement the workforce resources required due to fluctuations of a temporary nature. Often contractors are people with specialised skills required for projects of a short-term nature. The number of contractors is not significant.

Diversity, inclusion and belonging

The assurance of inclusion, non-discrimination, and equal opportunities help us develop an attractive workplace where a variety of ideas and solutions can be promoted, positively influencing attitudes and perceptions, and contributing to a strong Group brand. The Group shall comply with all relevant regulations.

Our focus on inclusion, non-discrimination, and equality is reflected in our recruitment policies, promotion practices, development of personnel, and our operating model. The purpose of our policies and approach is to positively influence management behaviour and promote a culture of inclusion. Expectations of leadership are clarified through policies, procedures and leadership training programmes. Diversity and non-discrimination declarations are included in a wide range of procedures in our Company Management System ("CMS") and our website.

Ensuring more opportunities for women at all levels of leadership throughout the organisation, along with participation in our talent and development programmes, have been targeted activities in 2023. With a goal of 40% women in mid-level management positions by 2026, we continue to monitor our workforce planning targets, pay practices, competence development and recruitment processes.

The Odfjell Technology Women's Network ("OTWN") is sponsored by the EMT and creates forums for women to network broadly across the organisation. In 2023, the OTWN held events in Bergen, Stavanger and Dubai. Looking ahead, the OTWN are planning to hold events in Aberdeen and Manila.

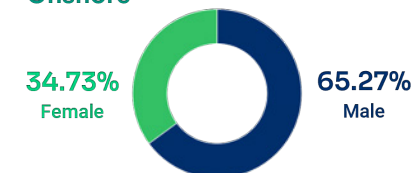
EMT & Board



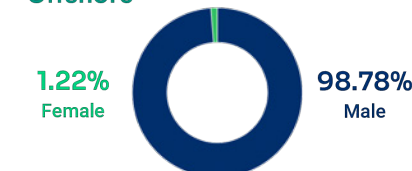
Mid-level management*



Onshore



Offshore



* Mid-level management level 3-5

Competence and training

Competence assurance is key to our operational efficiency, the health and safety of our employees, and confidence from our clients and the broader public. Our clients and employees trust that we work diligently to ensure a healthy place to work through a competent workforce. Competency compliance is a requirement across the industry.

Competence assurance is a critical part of our daily operations and employee safety. Our CMS reflects the management commitment to competency and training reflected in our Competency Policy. All employees are trained in compliance with our CMS and the requirements for each discipline area. All employees have the opportunity to participate in regular development reviews to identify development opportunities, gaps and career paths.

Offshore leaders have the widest reach of impact for our workforce as most of the Group's personnel are offshore. The Group invested in a new

Competence Assurance Management System ("CAMS") in 2022, with full offshore implementation and roll-out in 2023. This included in-depth training in the competence assurance tools to all supervisors in the offshore organisations. The successful implementation has been verified through client and authority audits.

In accordance with our People Strategy targets, the Group implemented targeted career path competency progression for engineers. Practical management training was increased, and leadership and development programmes were initiated on a broader scale. These programmes continue into 2024.

The Group monitors competency and training through documented activities in our Competency Assurance, ERP and Learning Management Systems ("LMS"). Gaps in competency are identified through monitoring of competence matrices, annual development reviews and CAMS/LMS data. Please find key insights and performance evaluation in the [appendix](#) of this report.

Freedom of association and collective bargaining

The Group is committed to respecting and upholding the right of freedom of association and collective bargaining. Good faith negotiations, transparent processes, and mutual respect are opportunities to maintain stable, safe, and predictable operations. We believe that the opportunity for collective bargaining aids in promoting positive working conditions and ensuring health and safety. The right to collective bargaining creates an environment of trust and predictable operations for our employees and customers alike. The Group also looks to impose the same requirements upon our business partners through our supply chain verifications and frame agreements.

Most of the Group's workforce is in Norway and the UK where trade unions and employers' organisations have existed for more than 100 years. Legislation, collective agreements and Group practices have developed and formed a system of comprehensive worker's rights and privileges. 100% of our Norwegian employees onshore and offshore are covered under tariff agreements negotiated with unions, regardless of the employees' union membership.

In other parts of our organisation where legislation and collective bargaining is not available, we have policies and procedures to ensure the best practices for employee well-being. The Group ensures standard global salary review processes each year, as well as updated health insurances and pension agreements to ensure commensurate treatment in each of our locations.

#ATTRACT #DEVELOP #RETAIN #INSPIRE

Human rights

Odfjell Technology proactively mitigates actual and potential impacts on human rights throughout our value chain, in line with the Group's ethical standards which correlate to expectations of our stakeholders. This implies:

- commitment on the part of all employees for quality and safety in their work
- a style of management that emphasises delegation and employee development
- guidelines that generate security and trust through correlation between words and deeds
- cooperation and shared responsibility through mutual respect, honesty, loyalty and responsibility vis-à-vis the society, Group and each other

Ambition and approach

Our ambition is complete intolerance of human rights infringements. Odfjell Technology is committed to the protection of fair labour practices and human rights in accordance with the International Bill of Human Rights. The actions to safeguard fundamental rights are

carried out following the UN Guiding Principles on Business and Human rights and Organisation for Economic Co-operation and Development ("OECD") Guidelines for Multinational Enterprises. These internationally recognised instruments are made a part of Odfjell Technology's corporate governance through the Human Rights Policy, and operationalised as an integrated part of risk assessments and day-to-day business.

Human Rights Policy

The Human Rights Policy sets out the principles for Odfjell Technology's human rights commitments and work to protect and avoid infringements of human rights of employees, contractors, suppliers, agents and business partners, as well as communities affected by the Group's business activities. The policy content is based on a multi-stakeholder process to identify material human rights focus areas for Odfjell Technology

The policy is owned and approved by the Board and the CEO. The EMT have the responsibility to ensure that the policy governs actual and potential impacts on human rights in all business activities. The commitment stated in the policy

is integrated into other key processes, such as SCM, HR management, tender and contract processes and risk management. All employees are expected to comply with the policy and its human rights commitment.

The whistleblowing portal is the Group's grievance mechanism for, amongst other things, concerns related to potential negative impacts on human rights and working conditions, either directly or indirectly caused by the Group. The whistleblowing portal is open to all and easily accessible on the Odfjell Technology website. There has been no cases of concerns reported in 2023. In the case of activities that may cause or contribute to adverse effects on human rights, appropriate remediation will be provided.

Integrating human rights in day-to-day business

The identified human rights focus areas are subject to special attention and prioritised in risk management processes, including verification of suppliers. Human rights focus areas include:

- prohibition of human trafficking

- forced labour, and child labour
- providing a safe and secure working environment through competency assurance
- just and favourable working conditions, including protection against discrimination and the right to collective bargaining

These priorities have a direct impact on our QHSSE and HR policies and procedures, and extend to our supply chain approach through procedures, frame agreements, and verifications.

The establishment of new operations in additional Middle Eastern countries contributed to the creation of well paid and safe jobs for locals, as well as skills development and access to new technology within local communities. Being present in locations with developing human rights practices brings about new opportunities and challenges that elevate the significance of responsible business conduct.

In 2023, we conducted audits of supplier's employment practices with a focus on our international operations.



Responsible supply chain

SCM encompasses all purchasing and logistics functions, playing a pivotal role in ensuring smooth and efficient operations. Our global network of suppliers spans various types, including providers of drilling equipment, spare parts, safety gear, operational consumables, and diverse services. We value engagement with key suppliers through consistent audits, reviews, and meetings, reflecting our dedication to reducing emissions and promoting human rights within our supply chain.

In our supply chain, we meet human rights requirements from several angles. One aspect is our physical presence around the world with supply bases, personnel and freight forwarding, and another aspect is the products and services we purchase.

Supplier code of conduct

All suppliers are required to sign the Supplier Code of Conduct, which defines the basic requirements for Odfjell Technology's suppliers concerning their responsibilities to maintain high ethical standards, adhere to all applicable laws, and avoid impropriety or conflicts of interest. Suppliers shall maintain and uphold Odfjell Technology's principles of openness and transparency, and their performance is continuously monitored and followed up.

Supplier onboarding

All potential new suppliers to Odfjell Technology are subject to our supplier onboarding process, called "Become A Supplier" (BAS).

Due diligence assessment of suppliers

Odfjell Technology has a vast number of suppliers, necessitating a strategic approach to prioritise which suppliers undergo due diligence assessments in the short and long term. Potential new suppliers are prioritised and risk assessed prior to conclusion of contract or cooperation. Suppliers onboarded before the implementation of our human rights risk assessment procedure are being re-evaluated to align with new supplier standards in accordance with the capacity of SCM functions.

The BAS process includes a separate questionnaire on human rights, allowing us to assign a risk score based on self-assessment and evaluation of compliance down the supply chain. Suppliers categorised as "high risk" after the initial self-evaluation are handled as non-conformances and further assessed and followed up individually. Suppliers considered "high risk" after further assessment, and not willing to reduce their human rights risk are deactivated from our approved vendor list.

Outcome and mitigation

244 new and existing suppliers were risk assessed on human rights risk. There has not been any identified actual negative impact in relation to products or services the Group has purchased in 2023. 28 suppliers were identified as having a high risk for potential negative impact, and consequently followed up individually to reduce risk. No supplier relationships were terminated due to actual or potential negative impact to human rights.

According to our risk assessment, human rights risk increases the moment we cross over to third party activities, either via purchasing of goods or services, or where third-party personnel are operating for us or on our behalf.

Considering our purchasing of textiles for work wear and linen, towels, etc. for our offshore operations, a material risk that we have identified is raw material production and processing. The raw material production and processing of cotton is an area where the risk is high. Metals used in drilling equipment, spare parts, electronics, etc. is another risk area.

2023 reflections

A key challenge has been suppliers' reluctance to engage in human rights discussions, with some avoiding the questionnaire. This has hindered our ability to assess risks and potential violations thoroughly, slowing our risk assessment progress in 2023. To address this challenge, SCM have been focusing on identifying issues and enhancing the stakeholder engagement processes, aiming to more effectively put pressure on suppliers to address human rights concerns.

The first measure to improve the human rights due diligence assessment is to facilitate greater industry collaboration.

The second measure is to implement new software for stakeholder engagement and collect sustainability data. This will improve the quality and scope of due diligence carried out in 2024.

The third measure is that the human rights data, including data coming from the value chain, will be subject to audit. This is a way of ensuring quality and continuous improvement.

Odfjell Technology strongly believes that these measures will make the Group better equipped to deal with an intricate and diverse supply chain going forward.

Main requirements of Supplier Code of Conduct

- legal regulations
- prohibition of corruption and bribery
- respect of basic human rights
- health and safety of employees
- environmental protection
- conflict of interest
- accuracy and retention of business records
- fair competition
- business courtesies, gifts, hospitality and expenses
- audit rights
- reporting concerns or breaches of the Supplier Code of Conduct
- consequences of infringement

Governance



- Business conduct
- Cyber security risk



Business conduct

Be brave. Be transparent. Act with integrity.

Odfjell Technology is committed to the highest ethical standards, and to operating with honesty, fairness and integrity. We recognise the importance of being transparent with our stakeholders and promoting a culture built on courage. To achieve this, our leaders lead by example - they set the right tone for all to follow, emphasising our commitment to business ethics.

Ambition and approach

Odfjell Technology has a zero tolerance approach to bribery and corruption.

Business conduct policies

Our approach to business conduct starts with the Code of Conduct ("COC"), which sets out our expectations of our employees in relation to ethics and compliance.

Framework

The COC, approved by the CEO, is supported by a comprehensive set of internal policies and procedures. The main policies within this focus area include:

- the Ethical Principles*
- Human Rights Policy*
- Modern Slavery Statement*
- the Group's Core Values*
- Social Responsibility Principles**
- Corporate Governance Policy**
- the Competition Compliance Procedure**

* Approved by the Board ** Approved by the CEO

All the above-mentioned policies are anchored at corporate level in the CMS and are applicable for the entire Group in all its activities. The policies are actively used in the risk review processes related to tenders and procurement, and form an important foundation for all our operations. The policies are communicated to potential business partners, and included in training for employees.

Odfjell Technology's Ethical Principles highlight the material elements from the other policies. All of the policies are to be followed in both spirit and letter. The CEO is responsible for the overall implementation of the policies within the Group, while all Business Area leaders and line managers are responsible for implementation within their division/line. Everyone in Odfjell Technology has a personal responsibility to work in a way that respects the policies and to encourage others to do so too.

Detailed guidance to assist with upholding the policies is included in the COC. In addition, the Compliance Officer and General Counsel may always be contacted for guidance.

Please find key insights and performance evaluation in the [appendix](#) of this report.

Training

The Group holds regular information and training sessions to promote compliance with applicable laws, rules and regulations. This includes applicable laws relating to insider trading and anti-corruption laws relating to bribery and corruption.

The COC is covered in an e-learning course in our HR training portal. All new personnel are required to complete the COC course as part of on-boarding. Through procedures and training tools, Odfjell Technology seeks to ensure that all personnel are aware that any suspicious activity, particularly in relation to bribery and corruption, must be reported.

Prevention and detection of corruption and bribery

The Group holds its suppliers and agents to the same standards of integrity.

Anti-corruption policies are included in the COC, and apply to all directors, employees and representatives of Odfjell Technology. The COC requires compliance with all applicable laws, as well as the OECD convention on anti-bribery and the United Nations declaration of human rights. Failure to know and follow the COC may result in disciplinary action. We expect suppliers, contractors, consultants and others who are temporarily assigned to perform work for us, to follow the Ethical Principles and COC. Failure to do so may result in termination of their contract.

Personnel shall annually report and confirm compliance with the COC.

Due diligence

All clients, contractors, suppliers, agents and other third parties are subject to risk assessments according to Odfjell Technology requirements, including corruption risk assessments, to ensure that the risks are known, understood and acceptable. Prior to any form of commitment, entering into agreements, or placing orders (excluding minor purchases) with new unknown third parties, a series of risk assessments is conducted.

The suppliers/third parties are categorised based on type of transaction/agreement, geographical area of operation, residing jurisdiction based on Transparency International's Corruption Perception Index, and type of corporation. The risk category determines the process for evaluating a supplier/third party.

A potential high risk supplier/third party requires detailed integrity due diligence to be performed by the Compliance Officer.

Corporate Risk Committee ("CRC")

The CRC is part of the Group's tender, procurement and operational review process. CRC ensures that tenders, client contracts, and procurements exceeding a certain value and/or with a certain risk profile, are subject to a risk assessment, including integrity risk.

The purpose of the CRC process is to:

- identify overall business exposure and opportunities
- ensure early warning of risks
- arrange for risk mitigation and opportunity optimisation
- establish recommendations and actions
- contribute to lessons learned across the Group

A CRC process is always required in countries with a score lower than 40 on Transparency International's Corruption Perception Index.

Whistleblowing portal

Odfjell Technology's whistleblowing portal enables personnel to report infringements of the COC or other ethical/critical concerns. The portal is accessible for external parties, including clients and suppliers. It is available from the [Odfjell Technology website](#) and intranet, in English and Norwegian. An anonymous two-way dialogue is initiated between the whistleblower and the case investigator from the Group's compliance team. All reported cases are thoroughly reviewed, and the compliance team responds to the whistleblower without unreasonable delay.

Personnel will not be retaliated against for making a good faith report. Cases of significant importance are reported to the Audit Committee and to the Board.

Odfjell Technology does not tolerate and will not get involved in unethical or illegal business and facilitation payments are strictly forbidden.

Looking forward

The Group will finalise its whistleblower procedure in 2024.

Odfjell Technology has a clear ambition that all stakeholders can rely on our integrity.

The Group operates in countries deemed high risk according to Transparency International. The Group's policies aim to identify corruption and bribery risks, ensure reporting of any concerns, and take measures to mitigate risks identified.

Odfjell Technology prohibits retaliation against anyone who reports or participates in an investigation of a possible violation of the COC, other Group policies or the law. Individuals who report in good faith or are involved in investigations will receive protection and support. Odfjell Technology wants to encourage everyone to speak up about any wrongdoing and feel confident and safe to do so.

Reporting on legal incidents

In 2023, Odfjell Technology was not subject to any convictions or fines for violating anti-corruption or anti-bribery laws.

Cyber security risk

At Odfjell Technology, we recognise the importance of addressing cyber security risk as threats increase and evolve in our industry.

Ambition and approach

Our ambition is to have zero security breaches across our operations.

The Group realise that cyber security breaches can impact the safety of our people and productivity of our operations, as well as infringe privacy rights and compromise data integrity. We strive to manage our internal risk and work with our customers and suppliers to reduce cyber security risk in our operations.

In 2023, Odfjell Technology had zero major cyber security incidents.

Governance

Our Chief Information Officer has managerial responsibility for our corporate data systems, overseen by our EMT and Board.

Framework

Every Odfjell Technology employee is responsible for ensuring adherence to the IT Security procedure, which is published on our CMS. In addition, the Cyber Security

Management Manual was published to ensure that our cyber systems supporting operations are safe and secure and resilient against cyber incidents of all kinds, including direct or indirect attacks, or as a consequence of human error.

The Cyber Security Management Manual is based on industry standards and will be the foundation for the DNV Cyber Security Class Notation.

Training

The Group carries out training of key personnel periodically, including bespoke cyber security awareness training. Employee training is supplemented with regular phishing tests.

Mitigating measures

The following tools and measures have been implemented to help protect our business and people against cyber security attacks:

- one Cyber Security Team that spans OT, IT and QHSSE disciplines.
- emergency preparedness procedure
- close cooperation with our partners to ensure cybersecurity in the supply chain
- cyber risk register
- advanced global authentication systems
- advanced threat protection systems

Looking forward

In 2024, the Group will roll out mandatory cyber awareness training for all users and will finalise its Cyber Security class Notation DNV accreditation.

Corporate Governance

Board of Directors during 2023

Helene Odfjell, Chair

Appointed 10 January 2022

Helene Odfjell (born 1965), a UK resident, has a Bachelor of Business Administration from the Norwegian School of Economics (NHH), a Master of Business Administration from London Business School and is a Chartered Financial Analyst. She is Chair of the Board of the Company and holds board positions in the affiliates of the Company and is a Board member of Odfjell Drilling Ltd. Ms. Odfjell controls 23,825,396 shares in the Company as at year end 31 December 2023.

Susanne Munch Thore

Appointed 10 January 2022

Susanne Munch Thore (born 1960), a Norwegian resident, is a partner with the Norwegian law firm Arntzen de Besche. She has a law degree (cand. jur.) from University of Oslo, a Diploma of International Affairs from John Hopkins School of Advanced International Studies, Bologna and a Master of Laws from Georgetown University, Washington D.C. She has been Legal Officer at the Oslo Stock Exchange and assisted foreign and Norwegian entities with mergers and acquisitions, capital market transactions and stock exchange listings, as well as transactions in company and securities law. She has experience from various boards, including a Board membership of Sandwater AS and membership of the nomination committee for Norsk Hydro ASA. She is a part-time lecturer at the BI Norwegian Business School. Ms. Munch Thore owns 500 shares in the Company as at year end 31 December 2023.

Alasdair Shiach

Appointed 10 January 2022

Alasdair Shiach (born 1956), a UK resident, has a Bachelor's degree in Business Studies from Robert Gordon's University in Aberdeen, Scotland. He has 40 years of international experience in the Oilfield Service sector and has held senior executive leadership positions as well as assignments in the USA, UAE, Saudi Arabia and Norway. Mr Shiach is also on the board of Welltec.

Victor Vadaneaux

Appointed 29 March 2022

Victor Vadaneaux (born 1964), a UK resident, holds a Master of Business Administration from Harvard Business School, a Master of Science from Telecom Paris and an engineering degree from École Polytechnique. He is a Senior Advisor in private equity and works independently with various private equity firms to assess investment opportunities and realise the value creation potential in their portfolio companies. He has extensive experience in leading management teams in manufacturing and distribution businesses and has held a variety of management positions in various companies. Mr. Vadaneaux owns 16,563 shares in the Company as at year end 31 December 2023.

Further details on the Board can be found at www.odfjelltechnology.com.

Executive Management Team



From left: Kurt Meinert Fjell, EVP Operations, Jone Torstensen, CFO Odfjell Technology AS, Diane Stephen, General Manager, Simen Lieungh CEO Odfjell Technology AS, Elisabeth Haram, EVP Well Services, Anne Siri Sævareid, EVP Projects & Engineering, Randi Øverland, SVP Global Business Services, Kurt Werner Holsæter, SVP Human Resources.

Biographies can be found on our website at [Corporate Management - Odfjell Technology](#).

Audit Committee Report

Role of the Committee

The Audit Committee (the "Committee") is appointed by the Odfjell Technology Ltd Board and has a diverse range of competence based on the expertise and experience of the members.

Key responsibilities

The Committee's primary function is to assist the Board fulfil its responsibilities to the Company and Group in respect of:

- understanding, assessing, and monitoring business and financial risks and risk management systems
- monitoring annual and interim financial reporting with proposals to ensure its integrity
- overseeing, and assessing the performance of internal control and external audit activities
- overseeing legal and regulatory compliance
- reviewing and monitoring the selection and independence of statutory auditors, maintaining contact regarding auditing of annual accounts and monitoring audit performance
- reviewing arrangements for the confidential raising and investigation of concerns in financial reporting and other matters
- preparing the Board's review of the financial reporting process, and sustainability reporting, providing recommendations to ensure integrity of reporting

The Committee operates autonomously of management and refers all views and recommendations to the Board for discussion and resolution after each Committee meeting.

Membership

The Committee consists of two Board members, one of which is considered independent, and competent in accounting or auditing. Susanne Munch Thore is chair and is independent of the Executive Management of the Group. The Chief Financial Officer ("CFO") acts as secretary of the Committee.

Meetings and attendance

The Committee holds four meetings a year with interim meetings called if required (four meetings held in 2023). Members of management, auditors, and others are invited to attend and provide pertinent information, as necessary. The focus is on accurately prepared quarterly and annual reports, based on consistent use of accounting principles defined by IFRS® Accounting Standards. The meetings also cover the Sustainability Report and interim and year end audit process and plans.

Documentation provided to the Committee to prepare for meetings, includes reports, memos and policies provided by accounting, tax, and legal experts, both internal and external.

Matters of interest and concern are promptly reported to the Board where action or improvements are required regarding any aspect of financial reporting, risk management, internal control, compliance, or audit-related activities. The Group's internal controls are determined by the Committee to be appropriate and effective.

Activities during the year

During the year, the Committee has considered all relevant laws, regulations, codes, and applicable rules. They have reviewed tax and compliance activities and matters as well as any material disputes. The Committee has focused on revenue recognition and contingent liabilities, including the use of reasonable assumptions, estimates and judgement.

The Committee reviewed completion of the COC training (see Sustainability appendix), as well as being presented with an overview of agent agreements. Updates were given on net-zero emission commitments and the requirements of upcoming EU taxonomy reporting.

The 2023 Audit plan was presented to the Committee by KPMG, discussing focus areas. The Committee reviewed other services provided by the audit firm and found there were no indications that these services have had a negative impact on the auditor's independence.

How internal control and risk management was assessed

The auditor's presentation to the Committee is used for understanding and improving the internal control systems of the Group as well as an internal presentation on access management, segregation of duties and authority matrices.

The Committee were briefed on the implementation of a new risk management model and approved the main principles being used.

Financial statements and accounting practises

The annual financial statements for the year ended 31 December 2023, as well as the external auditor's presentations, management's response, and the auditor's opinion, were reviewed by the Committee. The views of the Committee were communicated to the Board prior to its approval of the financial statements.

Corporate Governance Report



Odfjell Technology Ltd. (the "Company") is incorporated in Bermuda and subject to Bermudan law. The Company was listed on the Oslo Stock Exchange on 29 March 2022, following a spin-off from the Odfjell Drilling Group, and aspects of its activities are therefore governed by Norwegian law. The Company is managed and controlled from the United Kingdom ("UK"), with its head office in Aberdeen, and the majority of the Board being UK residents, resulting in the Company being resident in the UK for tax purposes. The Company is also subject to the laws of the countries in which it operates, as well as international law and conventions.

The Company seeks to comply with the applicable legal framework for companies listed on the Oslo Stock Exchange and endorses the Code of Practice for Corporate Governance (the "Code"). This report is prepared in accordance with section 1 of the Code and any deviations from the requirements in the Code are described and explained in this section of the annual report.

The Board has approved a framework of policies which apply across Odfjell Technology Ltd and its subsidiaries (the "Group"). The objectives of the governance framework are to increase and maximise the Group's financial results, support long-term sustainable success, deliver on ESG goals and increase returns to shareholders.

Governance structure

Shareholders exercise their rights at General Meetings. In accordance with the Company's Bye-laws, the Board has authority to manage and conduct the business of the Company. In doing so, the Board may exercise all such powers which are not by law, or by the Bye-laws, required to be exercised in a General Meeting.

The General Meeting elects the members of the Board, details of which can be found in the [Board of Directors section](#).

Board and Committee attendance

The Board convened eight meetings during 2023, with attendance as follows:

	Board Meeting	Audit Committee
Helene Odfjell	8/8	4/4
Susanne Munch Thore	8/8	4/4
Alasdair Shiach	8/8	N/A
Victor Vadaneaux	8/8	N/A

The Company's business activities

In accordance with common practice for Bermuda incorporated companies, the Company's objects, as set out in its memorandum of association, are wider and more extensive than recommended by the Code. This is a deviation from section 2 of the Code.

The Group's vision is to use its heritage and expertise to support the energy transition. This involves developing services and operations in the renewables sector while continuing to support the Group's traditional market, and grow service offerings such as jack-up management. Growth will come organically through excellent operations and strong client relationships and strategic growth will come from new services and products, and entering new regions. All of this is underpinned by operations being carried out to the highest environmental and safety standards in the industry. This is done via our ability to implement best practice, based on experience and lessons learned.

The Group has a zero incident and failures objective and aims to be a trusted and leading partner for its clients.

Our vision is underway with our investment in Odfjell Oceanwind, which is developing floating offshore wind solutions. We have also been involved in geothermal work.

Equity and dividends

The Group had book equity of NOK 1,077 million and a book equity ratio of 29% as of 31 December 2023. The Board regards the Group's present capital structure as appropriate.

The Company's long-term objective is to make distributions of net income in the form of dividends, targeting an annual pay-out of 30-50% of its net profit on a consolidated basis. The payment of dividends will depend on several factors, including market outlook, contract backlog, cash flow generation, capital expenditure plans and funding requirements. It is dependent on maintaining adequate financial flexibility, as well as restrictions on dividend payments under Bermudan law and financial covenants, along with other relevant factors.

Pursuant to Bermudan law, the Board has wide powers to issue any authorised but unissued shares of the Company on such terms and conditions as it may decide. Any shares or class of shares may be issued with preferred, deferred, or other special rights, or restrictions with regard to dividend, voting, return on capital, or otherwise, as the Company may prescribe. This is a deviation from section 3 of the Code.

However, such issuance of shares is subject to prior approval by resolution of a General Meeting. Pursuant to Bermudan law, the Board also has the power to authorise the Company's purchase of its own shares, whether for cancellation or acquiring as treasury shares, and the power to declare dividends. These powers are neither limited to specific purposes nor to a specified period as recommended in the Code.

Equal treatment of shareholders and transactions with close-related parties

The Company has only common shares, which are listed on the Oslo Stock Exchange. Each common share carries one vote, and all common shares carry equal rights, including the right to participate in General Meetings. All holders of common shares are treated on an equal basis.

As is common practice for Bermuda limited companies listed on the Oslo Stock Exchange, no shares in the Company carry pre-emption rights, which is a deviation from section 4 of the Code.

The Board will arrange for a valuation to be obtained from an independent third party in the event of significant transactions between the Company and its shareholders, a shareholder's parent company, members of the Board, executive personnel, or closely related parties of any such parties. An independent valuation will also be carried out in the event of transactions between companies within the same group where any of the companies involved have minority shareholders.

Employees are required to report potential conflicts via an internal portal which is monitored and escalated to the Board if appropriate.

Any transactions the Company carries out in its own shares shall be either through the Oslo Stock Exchange or at prevailing stock exchange prices if carried out in an alternative way. If there is limited liquidity in the Company's shares, the Company shall consider other ways to ensure equal treatment of all shareholders.

Shares and negotiability

The Company's constituting documents do not impose any transfer restrictions on the Company's common shares. The shares are freely transferable in Norway, provided, that the Bye-laws include a right for the Board to decline to register a transfer of any share in the register of members, (or refuse to direct a Company appointed registrar to transfer any interest in a share) where such transfer would result in 50% or more of the Company's shares or votes being held, controlled or owned directly or indirectly by individuals or legal persons resident for tax purposes in Norway (or, alternatively, such shares or votes being effectively connected to a Norwegian business activity). The purpose of this is to avoid the Company being deemed a "Controlled Foreign Company" pursuant to Norwegian tax rules. This represents a deviation from section 5 of the Code, but the Board does not foresee that this provision will impact on the free transferability of its shares.

General Meetings

Shareholders may exercise their voting rights in General Meetings, with the Board ensuring that:

- the notice, supporting documents and information on resolutions to be considered are available on the Company's website no later than 21 days before the meeting is held
- the resolutions and supporting documentation are sufficiently detailed, comprehensive, and specific to allow shareholders to form a view on matters that are to be considered
- the registration deadline, if any, for shareholders to participate in the meeting is set as closely as practically possible to the meeting date and pursuant to the Bye-laws
- shareholders can vote separately on each candidate nominated for election to the Company's Board and Committees

- in accordance with the Bye-laws, the Chair of the Board shall chair meetings unless otherwise agreed by a majority of those attending and entitled to vote. If the Chair of the Board is not present, then a chair shall be appointed or elected at the meeting. This is a deviation from section 6 of the Code

The members of the Board and the auditor did not attend the General Meeting, which is a deviation from sections 6 and 15 of the Code

Shareholders who cannot be present at the meeting will be given the opportunity to vote using proxies. The Company will:

- provide information about the procedure for attending via proxy
- nominate a person who will be available to vote on behalf of a shareholder as their proxy
- prepare a proxy form formulated so that the shareholder can vote on each item that is to be addressed and vote for each of the candidates that are nominated for election

Nomination Committee

The Company does not have a Nomination Committee, and it is acknowledged that this represents a deviation from section 7 of the Code. Given that the Board consists of non-executive directors, with 75% considered independent, the Board considers itself able to adequately fulfil the roles and responsibilities ordinarily assigned to a Nomination Committee.

When a need arises to appoint a new or additional director, a review of potential candidates will be carried out, considering the need for a diverse mix of skills, talent, and expertise, whilst also being mindful of the importance of independence.

The Board of Directors - composition and independence during 2023

The Board comprised three independent non-executive directors plus the Chair, who is also the majority beneficial shareholder. All Board members are independent of the Group's Executive Management and three are independent of the Company's major shareholder.

The Board is comfortable that there is no conflict of interest or compromise to the independence of directors who also serve as directors on the Company's subsidiary boards. The Board has no concerns with external appointments held by the directors. The Chair of the Board is determined in accordance with the Company's Bye-laws rather than the General Meeting, which is a deviation from the Code.

The Board of Director's section provides further details on each director's background, skills and expertise. As of 31 December 2023 the Board consisted of two male and two female directors, three of which are UK resident. They possess the relevant expertise, capacity and diversity as set out in the Code and are elected on an annual basis at the Annual General Meeting. The composition of the Board ensures they can attend to the common interests of all shareholders and function effectively as a collegiate body.

The work of the Board of Directors

The Board schedules Board meetings in advance as well as one information meeting. Interim meetings may be convened if required.

The Chair is responsible for ensuring that the Board operates effectively and carries out its duties, with assistance and support from the General Manager and Corporate Secretary.

Meetings are chaired by the Board Chair unless otherwise agreed by a majority of attending directors. If the Chair is not present, the directors shall elect among themselves a Chair. If the Chair has a material interest or involvement in a particular matter to be resolved by the Board, the Board will consider asking another Board member to chair those discussions.

A Board charter is in place which defines matters reserved for decision by the Board, and is equivalent to written instructions on the work of the Board. Delegations by the Board are recorded in Board minutes, resolutions, powers of attorney or service agreements. Subsidiaries and their branches operate within decision-making guidelines, involving the Board in matters of strategic importance to the Group.

The Board is responsible for the Group's value creation and sets the Group's objectives, strategy, and budgets and monitors financial performance and control of assets as well as risk management. In addition, the Board also monitors and approves internal controls and authorises decisions in matters of an unusual nature or of importance to the Company and the Group.

The Board has appointed a General Manager to undertake day to day management of the Company, overseen and supervised by the Board. Group operational activities are delegated to Odfjell Technology AS with duties and responsibilities defined in a service agreement.

The General Manager, Odfjell Technology AS CEO and CFO are regular attendees at Company Board meetings. The Board maintains oversight of operational activities through a review of reports such as operational and strategic updates, monthly financial reports, QHSSE status reports, tenders and opportunities updates and quarterly and full-year results. Updates on risk and ESG are given throughout the year.

The Board has established an Audit Committee, whose duties include supervising and reviewing the Group's annual and interim financial reporting. This Committee consists of two Board members, one is considered independent.

The Company has not established a Remuneration Committee, which is a deviation from section 9 of the Code, but it should be noted that no member of Executive Management is represented at the Board. Accordingly, the Board does not consider such committee as necessary as decisions regarding compensation of Executive Management can be decided by the whole Board without executive involvement at Board meetings.

The Board undertook a self-evaluation in December 2023, reviewing results January 2024.

An annual review of directors' interests is undertaken, and directors are reminded to declare potential conflicts at the start of Board meetings. A register of directors' interests is maintained.

Risk management and internal controls

The Board recognises its responsibility to secure appropriate risk management systems and internal controls.

The Company has comprehensive corporate manuals and procedures for all aspects of managing the operational business. These are continuously revised to incorporate best practice derived from experience or regulatory requirements and changes.

Routines are in place to provide frequent, relevant management reporting on operational matters. The Board is continuously updated on both capital and liquidity and the performance of the business. This ensures adequate information is available for decision-making and allows the Board to respond quickly to changing conditions and requirements.

The Group has established clear and safe communication channels between employees and management to ensure effective reporting of any illegal or unethical activities in the Group, via a whistleblower reporting portal. More information is in the [Sustainability Statement](#).

These measures ensure that considerations related to the Group's various stakeholders are an integrated part of the Group's decision-making processes and value-creation.

The Board also recognises its responsibilities for the Group's values and guidelines for ethics and corporate responsibilities. Core values reflect the Group's focus on commitment, safety consciousness, creativity, competency, and result orientation. Guidelines for the behaviour of Group representatives are outlined in Odfjell Technology's Ethical Principles and described in detail in the COC. The core values and COC are available on www.odfjelltechnology.com.

Further information on risk can be read within the [Sustainability Statement](#).

Remuneration of the Board of Directors

The remuneration of the Board is decided by the shareholders at the AGM. The compensation to the Board reflects the responsibility, expertise, and level of activity in the Board and any Committees. Remuneration is not linked to Group performance and no share options are granted to Board members. More detailed information can be found in the [Executive Remuneration Report](#).

None of the members of the Board and/or companies with whom the Board members are associated, have taken on assignments in 2023 for the Group, in addition to their appointments.

Remuneration of the Executive Management

Pursuant to Bermudan law for Bermuda incorporated companies listed on the Oslo Stock Exchange, the Board determines the remuneration of Executive Management. Details for 2023 can be found in the [Executive Remuneration Report](#).

Guidelines for the remuneration of Executive Management can be found in the Executive Remuneration Policy which is available on our website www.odfjelltechnology.com. This has yet to be approved at a General Meeting, which represents a deviation from section 12 of the Code. The policy uses performance related remuneration by way of a variable bonus capped at 100% of salary, and share option schemes for certain executives. The Remuneration Policy is set to attract and retain Executive Management of sufficient calibre. It also aims to align with shareholder's interests and the Group's strategy, long term interests and financial viability.

Currently, the determination of variable bonuses is made by the Board at a holistic level, rather than by analysing detailed components with weightings, criteria, targets and performance achieved ratings and therefore deviates from Section 12 of the Code.

Information and communication

The Company has established guidelines for reporting to the market and is committed to providing timely, precise information to its shareholders, Oslo Stock Exchange and the financial markets in general, through the Oslo Stock Exchange information system. Information is given in the form of annual and quarterly reports, press releases, notices to the stock exchange and investor presentations.

In these communications, the Company aims to clarify its long-term potential, including strategies, value drivers and risk factors. The Company maintains an open and proactive approach for investor relations with detailed investor relations information, and contact information available on the [Company website](#).

An annual financial calendar is published with dates of important events such as the AGM, publishing of interim reports and financial stock market presentations.

The Company discloses all inside information as legally required, unless exceptions apply and are invoked. Information will be provided about certain events, e.g. dividends, amalgamations, mergers/demergers, changes to the share capital, issuing of subscription rights, convertible loans and all agreements of major importance that are entered into by the Company and related parties.

The Company has considered communication with shareholders to ensure relevant information is shared with them in compliance with applicable laws and regulations. Shareholders can communicate with the Company through Q&A sessions on quarterly calls.

Information to the Company's shareholders is posted on the Company's website as well as published through Oslo Stock Exchange.

Take-overs

The Company will follow key principles from the Code for how to act in the event of a take-over offer. In such an event, the Board will ensure that the Company's shareholders are treated equally and that the Company's activities are not unnecessarily interrupted.

The Board will also ensure that shareholders have sufficient information and time to assess the offer. The Board shall:

- ensure that the offer is made to all shareholders, and on the same terms
- not undertake actions intended to give shareholders or others an unreasonable advantage at the expense of other shareholders or the Company
- strive to be transparent about the take-over
- not institute measures which have the intention of protecting the personal interests of its members at the expense of interests of the shareholders
- be aware of the particular duty the Board carries for ensuring that the values and interests of the shareholders are safeguarded

The main underlying principles shall be that the Company's common shares shall be kept freely transferable and that the Board and the Company shall not establish any mechanisms which can prevent or deter take-over offers unless this has been decided by the General Meeting in accordance with applicable law. This includes only entering into agreements with a bidder to limit the Company's ability to arrange other bids, if it is in the interests of the Company and its shareholders. Payment of financial compensation to a bidder if the bid does not go ahead should be limited to costs incurred by the bidder.

If an offer is made for the Company's common shares, the Board shall issue a statement evaluating the offer and making a recommendation as to whether the shareholders should accept. If the Board finds itself unable to give a recommendation, it should explain the reasons for this, being clear whether the views expressed are unanimous, and if this is not the case, explain why specific members of the Board do not concur.

The Board shall consider whether to arrange a valuation from an independent expert. If the bidder is a member of the Board, close associate of a member, has recently been a member of the Board or has a particular personal interest in the bid, the Board shall arrange an independent valuation. This shall also apply if the bidder is a major shareholder. Any such valuation should be enclosed with the Board's statement or reproduced or referred to in the statement.

Auditors

The Group have appointed KPMG as the Company auditor, with approval of their reappointment given at the 2023 AGM.

The auditor participates in a meeting of the Board when the annual accounts are presented, during which, the executive personnel leave to allow the Board time with the auditor alone.

Highlights of the audit plan are presented by the auditors to the Audit Committee as well as a review of the Group's internal control procedures, including identified weaknesses and proposed improvements.

Processes are in place to ensure that the Group does not utilise the services of the appointed auditor for advice beyond certain thresholds determined by the Board and in law.

At the AGM, shareholders authorise the Board to determine the remuneration of the auditors. Details of fees paid to the auditor for auditing work and for other specific assignments can be found in [Note 32 Remuneration to the Board of Directors, key executive management and auditor](#)

Executive Remuneration Report

Introduction

The Board present the Remuneration Report for 2023, which is prepared in accordance with Section 6-16 of the Norwegian Public Limited Liability Companies Act and the guidelines contained within the Norwegian Corporate Governance Board Code of Practice. It follows the Group Remuneration Policy which can be found at www.odfjelltechnology.com, to be tabled for approval at the AGM and subject to an advisory note. The 2023 AGM approved the 2022 Executive Remuneration Report. The objective is to present a clear and understandable analysis of executive remuneration and how this is linked to Group performance. This statement will be presented to shareholders in the 2024 AGM and subject to an advisory vote.

The objective of the policy is to ensure remuneration packages for executives are aligned with the Group's values, business strategy, and long-term interests, to create value for shareholders. Executive remuneration should be set at a competitive level to attract, retain, and motivate suitably qualified and experienced executives of a calibre who will deliver the Group's strategic objectives. As well as enhancing the future economic situation, the remuneration policy should also ensure environmental, sustainability and governance objectives are delivered.

The Group delivered a strong financial performance and net profit of NOK 344 million and has good visibility of future revenue through backlog from long term contracts and has a leverage ratio of 0.6x.

Highlights

Key events affecting remuneration

The 2023 EBITDA of NOK 840 million reflects the cost discipline and efficient operations being

delivered by the Group. Backlog stands at NOK 12.3 billion at the end of 2023 and a positive net cashflow from operating activities of NOK 698 million was generated in the year.

QHSSE performance improved in the main categories. The Group maintains a constant focus on ensuring the safety of those working for us. Through collaboration, employee engagement and communication, and optimal resource management, the Executive Management has built on the success of establishing the Group following the spin-off from Odfjell Drilling. The business has seen growth in 2023 compared to 2022 and generated positive cashflow to make returns to shareholders via dividends. For these reasons, the Board approved the payment of bonuses for 2023.

Key changes in Directors and Executive Management

There were no material changes in Directors or Executive Management during the year.

Changes to policy or its application

There were no changes to or derogation from the policy during the year.

Overview

Remuneration of the Board of Directors

Set out below are details of the fees accrued for directors for 2023 and shares in the Group held by directors as at 31 December 2023.

Director's fees are not linked to the performance of the Group or share options and will be approved at the AGM.

<i>Name of Director and position</i> <i>NOK thousands</i>	<i>Year</i>	<i>Board Fees</i>	<i>Chair fees</i>	<i>Audit Committee</i>	<i>Other Directorships</i>	<i>Total Remuneration</i>	<i>No of shares owned</i>
Helene Odfjell, Non-Executive Director and Chair	2023	375	375	50		800	23,825,396
	2022	281	281	38		600	23,825,396
Susanne Munch Thore, Non-Executive Director	2023	375		100		475	500
	2022	281		75		356	500
Alasdair Shiach, Non-Executive Director	2023	375			50	425	-
	2022	281			38	319	-
Victor Vadaneaux, Non-Executive Director	2023	375				375	16,563
	2022	281				281	16,563

1. Includes shares held by related parties.

2. Payments are made for additional roles such as Chair, Committee membership or directorship of subsidiaries, reflecting the time commitment required.

3. Other than reimbursement of expenses incurred in fulfilling their duties, there are no other elements of remuneration.

4. Amounts shown for 2022 are for the period 29th March to 31 December 2022, as this was the first year for these positions.

Remuneration of Executive Management

The table below shows the fixed and variable elements of remuneration to Executive Management employed at any point within the Group for the current reporting period 2023.

It should be noted that assessment of the performance of Executive Management against the criteria set out in their Personal Business Commitments ("PBC") is done on a holistic level when determining the level of variable bonuses. For this reason the report does not analyse detailed components with weightings, criteria, targets and performance achieved scores.

Name of Director/Executive and position NOK thousands	Fixed remuneration				Variable remuneration		Extraordinary items	Pension expense	Total remuneration	Proportion of fixed remuneration	Proportion of variable remuneration
	Year	Base Salary	Fees	Fringe benefits	One-year variable	Multi-year variable					
Remuneration of Executive Management for the reported financial year from the Company (Odfjell Technology Ltd) -NOK thousands											
Diane Stephen, General Manager Odfjell Technology Ltd	2023	1,093		59	213			53	1,418	85%	15%
	2022	688		40	142			36	906	84%	16%
Remuneration of Executive Management for the reported financial year from undertakings of the same group - NOK thousands											
Simen Lieungh, CEO Odfjell Technology AS	2023	6,344		288	6,000			127	12,758	53%	47%
	2022	4,018		175	3,750			99	8,042	53%	47%
Jone Torstensen, CFO Odfjell Technology AS	2023	3,076		238	3,000			140	6,454	54%	46%
	2022	2,009		174	1,800			100	4,083	56%	44%

1. Base salary - Set at a competitive rate reflecting the responsibilities of the role, the skills and experience of the individual and market conditions for the industry.

2. Fringe benefits - includes car allowances (in line with rates set across the manager population), private medical healthcare, life and income protection insurance, etc, all of which are in line with the benefit packages offered to the general employee population in the jurisdiction they are employed in.

3. Variable remuneration - The criteria and measurement for bonus payments are aligned to both Group performance against targets and an individual's personal performance and are set out in annual PBC. Criteria for Group performance include achieving financial, strategic, and other targets as set in the PBC. Criteria for personal performance in PBCs are based on: QHSSE results and improvement over previous year, employee satisfaction within area of responsibility, demonstration of a holistic approach to Group challenges, encouraging collaboration across the Group, optimal resource and competence management, being visible, accessible, and acting as a role model, and efficient and clear communication and provision of information in own area. The one-year variable bonus payments are capped at 100% of fixed annual salary and there are no reclaim provisions.

4. The General Manager is employed by Odfjell Technology Ltd and amounts disclosed represent a recharge to the Company on a 50% part-time basis.

5. Pension - Executive Management participate in the same pension plan, on the same terms, as all other employees in the jurisdiction they are employed in.

6. Amounts shown for 2022 are for the period 29th March to 31 December 2022, as this was the first year for these positions.

Share options awarded or due to Executive Management

The intention of the share programme described below, is to link reward to the creation of value for shareholders through increased share price.

<i>The main conditions of share option plans</i>		<i>Information regarding the reported financial year</i>		Simen Lieungh, CEO Odfjell Technology AS	Jone Torstensen, CFO Odfjell Technology AS
	The programme grants the option to purchase common exercisable shares in three equal tranches. The Company can choose to settle the options by a cash payment	Opening balance			
Specification of plan		Share options awarded beginning of year	900,000	300,000	
Performance period	3 years	Share options vested	-	-	
Award date	27.06.2022	During the year			
Vesting date	27.06.2023 27.06.2024 27.06.2025	Share options awarded	-	-	
End of holding period	04.07.2025	Share options vested	300,000	100,000	
Exercise period	The Option Holder may only exercise the vested shares in each relevant Tranche of Options in full and within 5 working days after each Vesting Date. Any Tranche of Options not exercised in an Exercise Period can be carried forward and exercised in a future Exercise Period. Any options not exercised by the end of the period will be terminated.	Closing balance			
		Share options vested	300,000	100,000	
Strike price of the share	NOK22.31	Share options awarded and unvested	600,000	200,000	
1. As at 31 December 2023 there were no share options subject to a performance condition or to a holding period					

Executive Management share ownership and terms as at 31 December 2023

<i>Name and position of Executive Management</i>	<i>Shares owned</i>	<i>Notice period and severance pay entitlement</i>	<i>Pension scheme</i>
Diane Stephen, General Manager Odfjell Technology Ltd	0	6 months	Standard UK defined contribution scheme
Simen Lieungh, CEO Odfjell Technology AS	40,000	6 months + 12 months severance pay	Standard Norway defined contribution scheme
Jone Torstensen, CFO Odfjell Technology AS	5,000	6 months + 6 months severance pay	Standard Norway defined contribution scheme

Comparison of remuneration and Group performance over time

Annual change	2022	2023	% change on prior year
DIRECTOR'S AND EXECUTIVE'S REMUNERATION - NOK THOUSANDS			
Helene Odfjell, Non-Executive Director and Chair	600	800	33%
Susanne Munch Thore, Non-Executive Director	356	475	33%
Alasdair Shiach, Non-Executive Director	319	425	33%
Victor Vadaneaux, Non-Executive Director	281	375	33%
Diane Stephen, General Manager Odfjell Technology Ltd	906	1,418	57%
Simen Lieungh, CEO Odfjell Technology AS	8,042	12,758	59%
Jone Torstensen, CFO Odfjell Technology AS	4,083	6,454	58%
GROUP PERFORMANCE -NOK MILLIONS			
EBITDA	673	840	25%
Net profit	253	344	36%
Backlog	11,000	12,300	12%
Leverage ratio	1.2	0.61	-49%
AVERAGE REMUNERATION ON A FULL-TIME EQUIVALENT BASIS OF EMPLOYEE - NOK THOUSANDS			
Employees of the Company	2,308	1,883	-18%
Employees of the Group	870	974	12%

1. Average remuneration includes salary, benefits, bonuses and employer pension contributions

2. 2022 is for a period of 9 months, compared to 12 months in 2023, hence the reason for the significant increase

Board Of Directors Report

Odfjell Technology Ltd. is the ultimate parent company of the Odfjell Technology group, comprised of the Company and its subsidiaries. Offering integrated offshore operations, well services technology and engineering solutions, the Group brought with it five decades of experience when it spun off from Odfjell Drilling in March 2022. The Company has been listed on the Oslo Stock Exchange since March 2022.

Business and market overview

History

Odfjell Drilling was founded in 1973 and made the strategic move in 2022 to split the Group, with the Well Services, Operations, Projects & Engineering and Global Business Services areas being spun off into a new Group, Odfjell Technology. The Odfjell Technology Group is built on a solid reputation as a trusted partner and services supplier, focused on delivering safe, efficient and sustainable operations.

The Group has extensive contracting experience and with activities in 26 countries, the Group is an international business, supporting a client base consisting primarily of major energy companies. Our vision is to use our heritage and expertise to support the energy transition, with the Group investing in renewables opportunities and supporting clients in their net-zero ambitions.

Corporate structure

The Company is an exempted company incorporated in Bermuda with its registered address at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda, and it is tax resident in the United Kingdom with its head office at Prime View, Prime Four Business Park, Kingswells, Aberdeen, AB15 8PU.

Information regarding related parties can be found at [Note 31 - Related parties - transactions, receivables, liabilities and commitments](#).

The Group is organised into three main Business Areas:

- Well Services
- Operations
- Projects & Engineering

Corporate Strategy

The mission of Odfjell Technology is to safely deliver services and technology which reduce time, costs, and carbon emissions. Combining 50 years of industry experience with the technology of tomorrow, we develop solutions for the changing energy market, chosen by clients for our expertise and reputation. QHSSE Management are of paramount importance to Odfjell Technology, and we strive for high quality performance and safe and secure operations through continuous improvement programmes. We aim for organisational robustness, zero injuries and failures, and strong cyber and physical security, delivered by a competent and motivated workforce.

Our onshore support centres work collaboratively in real time with our operations teams. This philosophy defines the team-focused nature of the Group.

We have a clearly defined process for developing and managing strategic direction which involves analysis, planning, monitoring, and execution. Our corporate strategy and business model is explained in more detail in the [Our Business Section](#).

Odfjell Technology has five core values that define and instruct our business:



Equity and shares

The Group had book equity of NOK 1,077 million and a book equity ratio of 29% as at 31 December 2023.

The Company has only one class of share. Each common share carries one vote, and all common shares carry equal rights, including the right to participate in General Meetings and all shareholders are treated on an equal basis.

The [shares and negotiability](#) section of the Corporate Governance Report details the transferability of common shares. The number of ordinary shares issued in Odfjell Technology Ltd. as at 31 December 2023 is 39,463,867

On 27 June 2022, the Company implemented a long term incentive share option plan. A total of 1,995,000 options have been awarded to certain employees at strike prices from NOK 22.31 to NOK 24.13 per share.

The Company is not aware of any shareholder or any other agreements which limit trading of the Company's ordinary shares or voting rights as at 31 December 2023.

Taxation

The Company is governed from and tax resident in the UK. Three out of four Company directors are UK residents. The Company has published its tax strategy on its [website](#) in compliance with the UK Finance Act 2016 Schedule 19.

The aim of the tax strategy is to support the business by maintaining a sustainable tax rate, while mitigating tax risks and complying with rules and regulations in the jurisdictions in which Odfjell Technology operates.

The Group maintains internal policies and procedures to support its tax control framework and provides training to its personnel to manage tax risks.

The tax strategy aligns to the Group's wider risk and control framework with key tax risks and issues escalated to and considered by the Audit Committee and the Board regularly.

The Group operates in approximately 26 countries and is exposed to a variety of tax risks such as compliance and reporting, transactional and reputational.

Where appropriate, the Group looks to engage with tax authorities to disclose, discuss and resolve issues, risks, and uncertain tax positions. The subjective nature of global tax legislation means it is often not possible to mitigate all known tax risks. As a result, the Group may be exposed to financial and reputational risks arising from its tax affairs.

The Group acknowledges its responsibility to pay the level of tax required by the laws of the jurisdictions in which it operates and also its responsibility to its shareholders to structure its affairs in an efficient manner.

The Group seeks to comply with its tax filing, reporting and payment obligations globally and to foster good relationships with tax authorities.

Focus areas

During 2023, Odfjell Technology has continued to focus on building a strong foundation for the Group in its first full year. The Group is positioning itself for growth internationally with Well Services, securing contracts with Operations and growing the competency and capacity of Projects & Engineering. Entering new regions such as Canada, Namibia and Indonesia has been achieved during the year. There has also been a strong focus on cash generation and this has allowed us to commence regular cash disbursements to shareholders via dividends.

Growth

We are positioned for growth in a strong market. An 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.

We have established a strong presence in the North Sea with efficient operations and strong client relationships, which provides opportunities for the provision of Well Services and Projects & Engineering deliverables. We see opportunities to grow in the decommissioning P&A area, particularly in the UK.

The engineering market is improving both in existing deliverables and in green initiatives, and we are well positioned to grow in both areas.

Diversification

We continue to target strategic new market entries where clients or contracts support establishing business in new geographies.

With the move to sustainable energy sources, we continue to review opportunities to diversify into renewables or other emerging energy markets. Our skills and experience lend themselves to certain areas, and already we have a commitment

to offshore wind through our investment in and support given to Odfjell Oceanwind, including providing engineering design services.

Sustainability

The Group is developing a Sustainability strategy and reporting framework, with a focus on creating clear sustainability ownership in Business Areas and functions.

Our Human Rights Statement can be found on our website - [Human rights - Odfjell Technology](#), as well as our [Modern Slavery Statement](#).

Gender pay gap reporting for Norway and the UK, can also be found at [Gender pay gap - Odfjell Technology](#). For details on Executive remuneration, please refer to our [Executive Remuneration Report](#).

More detail on these matters can also be read in our [Sustainability Statement](#).

Taxonomy report 2023

Taxonomy reporting requirements

Odfjell Technology reports in accordance with the EU Taxonomy Regulation (2020/852), including the supplementing Disclosures Delegated Regulation (2021/2178). The CFO function is responsible for the [taxonomy report](#) and underlying assessments.

Taxonomy eligible- and aligned activities

Odfjell Technology had no taxonomy eligible economic activities in 2023. The assessment of eligibility was conducted based on the described activities in the Climate Delegated Regulation (2021/2139). The basis of the assessment was the total revenue, capital expenses and operating expenses for Odfjell Technology in 2023. The assessment was done by members of the corporate management, finance function and internal and external stakeholders and subject matter experts on our sector. Assessment of alignment with the taxonomy was not relevant for 2023 reporting.

Taxonomy reporting going forward

The Group closely follows developments within the taxonomy reporting requirements. In 2024 the main focus will be to expand the assessment of eligible activities to the Environmental Delegated Regulation (2023/2486). The Group will continue doing assessments to identify eligible activities, especially in relation to new operations and investments.

Segment Overview

Well Services

Well Services provides the most up to date technology available for hands-free tubular running operations, high specification drilling tubulars and market-leading downhole tools. In addition, we have a vast inventory of equipment and our in-house engineering is highly specialised in the development of new technology.

Our business has a global presence with 15 offices and operating bases servicing contracts in around 26 countries, positioning Well Services as a leading provider in our industry. With approximately 290 clients worldwide, we service a range of sectors, mainly oil and gas, but also including hydrogen and geothermal.

2023 has seen growth in the business with entry into new geographical markets such as Canada, Namibia and Indonesia.

Operations

Operations secured further firm backlog in 2023 with contract extensions and the exercising of options. Collaboration across all Odfjell Technology Business Areas is key to delivering value to clients, and we work in a number of alliances. We continue to provide integrated drilling services including onshore support, production drilling and completion, well maintenance, facility maintenance planning and plugging and abandonment which is a service we will see growing in the near term.

Projects & Engineering

Projects & Engineering continue to build their competency to offer a range of services including feasibility and concept studies, Front End Engineering Design ("FEED"), pre-FEED, subsea services and integrity and inspection. Our differentiator is our close link to operations which means we bring an operational perspective to the process, defining scope, designing the engineering solution and managing the project execution and installation. Our Energy Efficiency service assists asset owners to map energy consumption and carbon emissions and provides advice on how to reduce these through changes in processes, technology etc.

More detail regarding the activities of each business segment can be found in the [Our Business section](#).

Outlook

We are well positioned for growth in a strong market in 2024. Our ambition is to increase our global footprint with Well Services, entering new geographies as we have in 2023, and focussing on high margin product lines.

The solid backlog in Operations gives us predictability and the opportunity to increase our integrated services provision to current clients.

Projects & Engineering activity on Special Periodic Survey ("SPS") will continue in 2024 with support being given to a number of assets as they go through their five yearly recertification. This is an area we have extensive expertise in.

The energy transition is key to the future of all, but there is a gap between the supply of renewable energy and demand. Oil and gas is therefore expected to remain a vital part of the energy mix in the foreseeable future, with the key word being "transition". Odfjell Technology will focus on using our expertise to contribute to the move towards renewable energy. We continue our close association with and investment in Odfjell Oceanwind to develop mobile offshore wind.

Across all our Business Areas, we see growth potential in the UK decommissioning market, as infrastructure comes to the end of its operational life. More than 2,000 wells in the UK are likely to

be permanently abandoned over the next decade and P&A represents a significant proportion of decommissioning spend. Our culture of being adaptable, innovative and focussed on continual improvement will stand us in good stead in the transitioning energy market.

Financial Reviews

Consolidated Accounts

(Comparable figures in brackets)

Income Statement

Odfjell Technology generated operating revenue of NOK 5,021 million (NOK 3,885 million), an increase of NOK 1,136 million. There is increased revenue in all the segments from 2022 to 2023, mainly related to new contracts and higher activity.

Earnings before interest, tax, depreciation and amortisation ("EBITDA") was NOK 840 million (NOK 673 million), an increase of NOK 167 million. The main contributors to the increase are Well Services and Projects & Engineering.

The operating profit ("EBIT") amounted to NOK 492 million (NOK 384 million), an increase of NOK 108 million. The main contributors to the increase are Well Services and Projects & Engineering. The increased EBIT in the segments are partly offset by increased overhead costs.



Net financial expenses amounted to NOK 136 million (NOK 138 million).

The income tax expense was NOK 17 million. In 2022 the income tax expense was positive NOK 27 million mainly due to utilisation of unrecognised tax losses in relation to group contribution received from the Odfjell Drilling Group in Q1 2022.

Net profit for the Group was NOK 344 million (NOK 253 million). Total comprehensive income was NOK 392 million (NOK 403 million).

Balance Sheet

Consolidated total assets as at 31 December 2023 amounted to NOK 3,695 million (NOK 3,115 million), an increase of NOK 580 million, affected by the non-current tax asset, refer to [Note 8 Income taxes](#) for further information.

Total non-current assets amounted to NOK 1,834 million (NOK 1,466 million). Current assets amounted to NOK 1,860 million (NOK 1,648 million), of which NOK 659 million was cash and cash equivalents (NOK 560 million).

Total equity amounted to NOK 1,077 million (NOK 779 million) and the equity ratio was 29% (25%).

Total liabilities amounted to NOK 2,618 million (NOK 2,336 million), an increase of NOK 282 million mainly due to the liability to repay Odfjell Drilling Ltd in relation to the tax case in Norway, refer to [Note 8 Income taxes](#).

Net interest bearing debt amounted to NOK 440 million (NOK 780 million), a decrease of NOK 340 million due to the repayment of the Rolling Credit Facility ("RCF") and increased cash and cash equivalents.

Cash Flow

Cash flow from operating activities amounted to NOK 698 million (NOK 568 million). The variance of NOK 206 million from EBIT in 2023 is mainly explained by depreciation, amortisation and impairment, offset by net interest paid.

Net cash outflow used in investing activities amounted to NOK 222 million (NOK 2,705 million). The 2023 cash outflow was mainly due to purchase of Well Services equipment and a mandatory convertible loan of NOK 18 million paid to Odfjell Oceanwind AS.

Net cashflow from financing activities amounted to an outflow of NOK 395 million (inflow of NOK 2,200 million). The 2023 outflow relates to repayment of the USD 25 million RCF, payment of dividends of NOK 100 million and repayment of lease liabilities.

Critical accounting estimates

The Group makes estimates and assumptions concerning the future. These are based on the underlying business, its current and forecast profitability over time, expectations about external factors such as interest rates, foreign exchange rates and other factors outside the Group's control.

There is estimation uncertainties in the Group's revenue recognition, determination of expected economic life and in the assessment of impairment loss in the trade receivables. There is use of significant judgement in the Group's recognition of deferred tax asset for carried forward tax losses, considerations related to contingent liabilities, and determination of lease terms.

Please refer to [note 3 - Critical accounting estimates and judgements](#) in the Consolidated Financial Statements for further information.

Segment reporting

Well Services

Operating revenue was NOK 1,779 million (NOK 1,365 million), an increase of NOK 414 million. Growth in the year has come from entering new markets (Namibia and Canada), delivering on contracts secured in 2022 and recovery in our traditional markets, most notably western mainland Europe.

EBITDA was NOK 625 million (NOK 485 million), an increase of NOK 140 million. EBITDA margin for the Well Service segment was 35% (36%). Although the driver for the growth is from our product lines that carry a lower margin, this has been partly offset by continued growth in higher margin product lines and a focus on cost efficiencies.

EBIT for the segment was NOK 322 million (NOK 226 million).

Operations

Operating revenue was NOK 2,382 million (NOK 1,972 million), an increase of NOK 410 million. This is mainly explained by increase in activity, compared to 2022, related to management of the jack-up rig Linus for SFL Corporation Ltd and volume increase for Rig Inspection Services.

EBITDA for the Operations segment was NOK 176 million (NOK 185 million), a decrease of NOK 9 million. The EBITDA margin was 7% (9%).

EBIT for the segment equals EBITDA.

Projects & Engineering

Operating revenue was NOK 607 million (NOK 357 million), an increase of NOK 250 million. Activity has been high for the entire year. Q1 and Q2 was mainly driven by yard stay activities on the Deepsea Mira and Hercules, and the modification work on the FSU Heidrun B has had high activity for the whole year. After the yard stays the activity on Odfjell Drilling's SPS portfolio has picked up.

EBITDA for the segment was NOK 94 million (NOK 44 million), an increase of NOK 50 million. The EBITDA margin was 16% (12%). The increase is mainly explained by higher activity, resulting in increased volume, utilisation and margins compared to last year.

EBIT for the segment equals EBITDA.



Parent Company accounts

The business of the Parent Company, Odfjell Technology Ltd., is as a holding company for investments in subsidiaries.

The Parent Company reported an operating loss (EBIT) of NOK 18 million (NOK 23 million). The improvement from 2022 is mainly due to reduced legal fees and financial assistance.

The Parent Company reported a share of profit from joint venture Odfjell Oceanwind of NOK 5 million (share of loss of NOK 19 million).

Net financial expenses were NOK 148 million (NOK 134 million). There was an increase in interest expenses of NOK 43 million, partly offset by NOK 20 million in reduced currency losses and increased interest income of NOK 9 million.

A net loss of NOK 161 million (NOK 176 million), was reported.

Total assets in the Parent Company amounted to NOK 3,043 million (NOK 2,691 million) as at 31 December 2023, an increase of NOK 352 million, mainly related to current receivables and cash and cash equivalents.

Equity in the Parent Company amounted to NOK 675 million (NOK 931 million), corresponding to an equity ratio of 22% (35%).

Cash flow used in operating activities was NOK 148 million (NOK 109 million). The variance of NOK 131 million from EBIT is mainly explained by interest paid.

Cash flow used in investing activities was an inflow of NOK 705 million (outflow of NOK 1,030 million). The company received NOK 307 million as a prepayment from Odfjell Drilling Ltd related to the tax case in Norway. The Company also had proceeds from the current cash pool of NOK 416 million, while NOK 18 million was spent on an extension to the mandatory convertible loan to the joint venture.

Cash flow from financing activities was an outflow of NOK 369 million (inflow of NOK 1,340 million). The Company repaid borrowing of NOK 269 million and made dividend payment of a total of NOK 100 million.

Risk review

Operational and industrial risk factors

The Group provides services primarily for the oil and gas industry, which historically has been cyclical in its nature. The focus on alternative energy sources and the transition to greener energy sources is expected to impact the energy market in the coming decades. However, there is an increased appetite for field development and production spending across the segments as we bridge the gap while moving to renewables.

The Group seeks to mitigate these risks by securing contracts with reputable clients, preferably long term, for its services. All offshore contracts are associated with risk and responsibilities, including technical, operational, commercial, and political risks.

Factors that, in the Group's view, could affect its results materially, include: 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.

Financial risk factors

The Group is exposed to a range of financial risks discussed below. The financial risk management process carried out at a Group level, focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. To some extent, the Group uses derivative financial instruments to reduce certain risk exposures.

The Group identifies, evaluates and hedges financial risks in close co-operation with the Group's operational units. The Board has established principles for risk management of foreign exchange risk, interest rate risk and use of derivative financial instruments.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of credit facilities, and to have sufficient cash or cash equivalents at any time to be able to finance its operations and investments in accordance with the Group's strategic plan. More details can be found in [Note 21 - Liquidity Risk](#)

Odfjell Technology held cash and cash equivalents amounting to NOK 659 million in addition to available drawing facilities of NOK 254 million at the end of 2023, which is deemed sufficient funding for the Group's current activity levels and committed capital expenditures during 2024.

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

Operating in circa 26 jurisdictions, Odfjell Technology do from time to time receive enquiries from authorities about compliance related matters. Refer to [Note 27 - Contingencies](#) regarding notice of a decision received 1 October 2021 from His Majesty's Revenue and Customs in the UK which has been appealed. The Group has at 31 December 2023 not received any other formal material assessment which is not disclosed in the financial statements.

Market risk

This is the risk of a change in market prices and demand, as well as changes in currency exchange rates and interest levels. The contract backlog provides a level of security for the near future and more details can be found in [Note 22 - Market Risk](#).

Foreign exchange risk

The Group operates internationally and is exposed to risk arising from exposures to currency fluctuations, primarily with respect to USD and NOK. The Group seeks to minimise these risks through natural hedging by balancing the currency in and out flow and will use financial hedging instruments if required.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's senior secured bond, based on NIBOR, and the RCF based on USD Secured Overnight Financing Rate. The Group evaluates the level of interest rate hedging based on assessment of total interest rate risk and currently has a combination of fixed and floating interest rates in order to limit exposure. The Board considers interest payment hedging of the external financing and mandates administration to execute necessary changes.

Including interest rate swaps entered into, the fixed-rate portion of the Group's interest bearing debt as at 31 December 2023 is 35%.

Credit Risk

The current main market for the Group's services is the offshore oil and gas industry, and clients consist primarily of major international oil companies, independent oil and gas producers and government owned oil companies. The Group performs ongoing credit evaluations of clients and generally does not request material collateral. Credit risk is considered to be limited.

Included in the Trade receivables as at 31 December 2023 is an outstanding amount of EUR 4 million - circa NOK 45 million, from clients in Iran. An impairment loss of EUR 0.7 million - circa NOK 7.5 million, has been accrued for these trade receivables as at 31 December 2023, more details can be found in [Note 23 - Credit risk](#).

Sustainability risk

Sustainability risks are considered in day to day operations, as well as at an enterprise risk level and in line with new legislative requirements.

There are robust processes in place to assess QHSSE risks and mitigating actions. Human rights risk registers are maintained and evaluations carried out during new country entry. Sustainability is considered in CRC reviews.

During 2023, efforts were concentrated on the upcoming CSRD and gaps in our data reporting framework.

Climate Risk

Following an assessment of climate risks and opportunities, both physical and transitional risks in the short, medium and long term, were prioritised.

The most significant transition risks identified, along with mitigating actions were:

- increased resources, skills and tools required to measure, track and report on climate data, leading to increased costs. In house expertise being developed, gap analysis being conducted, and software tools evaluated.

- impact on the ability to attract and retain talent, increasing costs. Training programmes to be reviewed and increase focus on communicating our sustainable activities.
- changes in consumer behaviours reducing the demand for oil and gas and therefore revenue. To be addressed through diversification of our client portfolio and services to support the energy transition.
- cost of and access to capital may go up as banks move to low carbon portfolios, leading to increased interest costs. Consider green funding resources for investments and diversify to low carbon portfolio.

The most significant physical risks identified, along with mitigating actions were:

- impact of extreme weather offshore on crew and equipment logistics could increase costs and result in downtime. Critical spares analysis and robust planning required, as well as protection in commercial contracts.

- heat, floods and tropical storms may increase in certain geographies we operate in, damaging infrastructure and increasing costs. Business continuity plans, remote working and reviews of locations required to address risk.
- heat stress will impact employees and equipment working outside in certain locations. Health tracking and storage of equipment to be monitored.

More detail on these risks can be found in the [Sustainability Statement](#).

Director and Officer's Liability Insurance

Odfjell Technology has a group insurance policy for the liability of the Company's and its subsidiaries' Directors and Officers. The insurance covers personal legal liabilities including legal costs for defence. The limit of liability is NOK 75 million per claim and in aggregate per year.

Going concern

Going concern assumption

The financial statements have been prepared on the basis of the going concern assumption and the Directors have confirmed that this was realistic at the time the accounts were approved and is covered in [Note 2 - Basis for preparing the consolidated financial statements](#).

When assessing the going concern assumption, the Directors and management have considered cash flow forecasts, funding requirements and order backlog. Taking all relevant risk factors into consideration, the Board has a reasonable expectation that the Group has adequate resources to continue its operational existence for the foreseeable future.

Subsequent events

There have been no events after the balance date with material effect for the financial statements ended 31 December 2023.

The Board of Odfjell Technology Ltd.

17 April 2024, London, United Kingdom

Helene Odfjell
Chair

Susanne Much Thore
Director

Alasdair Schiach
Director

Victor Vadaneaux
Director

Diane Stephen
General Manager

Financials

Consolidated Group Financial Statements



Consolidated Group Financial Statements

Consolidated Income Statement

for the year ended 31 December

<i>NOK million</i>	<i>Note</i>	<i>2023</i>	<i>2022</i>
OPERATING REVENUE	4,5	5,021.4	3,885.0
Other gains and losses	7	26.9	13.6
Personnel expenses	6	(3,032.9)	(2,381.6)
Depreciation and amortisation	9,10	(348.0)	(288.4)
Other operating expenses	7	(1,175.2)	(844.5)
Total operating expenses		(4,556.2)	(3,514.4)
OPERATING PROFIT (EBIT)		492.1	384.1
Share of profit (loss) from joint ventures and associates	30	5.1	(19.9)
Interest income		25.9	6.0
Interest expenses	7	(159.0)	(110.7)
Other financial items	7	(2.5)	(33.3)
Net financial expenses		(135.7)	(138.0)
PROFIT BEFORE INCOME TAX		361.5	226.2
Income tax expense	8	(17.3)	26.8
NET PROFIT		344.2	253.0
Profit (loss) attributable to:			
Owners of the parent		344.2	253.0
Earnings per share (NOK)			
Basic earnings per share	34	8.722	6.410
Diluted earnings per share	34	8.532	6.410

Consolidated Statement of Comprehensive Income

for the year ended 31 December

<i>NOK million</i>	<i>Note</i>	<i>2023</i>	<i>2022</i>
NET PROFIT		344.2	253.0
Items that will not be reclassified to profit or loss:			
Actuarial gain (loss) on post employment benefit obligations	8,18	(8.9)	(1.5)
Items that are or may be reclassified to profit or loss:			
Cash flow hedges	8,22	(2.0)	10.8
Currency translation differences		58.4	140.6
OTHER COMPREHENSIVE INCOME, NET OF TAXES		47.5	149.9
TOTAL COMPREHENSIVE INCOME		391.7	402.9
Total comprehensive income attributable to:			
Owners of the parent		391.7	402.9

Items in the statement above are disclosed net of tax. The income tax relating to each item of other comprehensive income is disclosed in [Note 8 - Income Taxes](#).

The accompanying notes are an integral part of these financial statements.

Consolidated Group Financial Statements

Consolidated Statement of Financial Position

<i>NOK million</i>	Note	31.12.2023	31.12.2022
ASSETS			
Property, plant and equipment	9	1,040.9	1,068.4
Intangible assets	10	257.3	252.1
Deferred tax asset	8	93.3	51.3
Non-current tax asset	8	307.2	-
Investments in joint venture	30	75.0	50.0
Derivative financial instruments	22	11.7	10.8
Other non-current assets	11	49.0	33.9
TOTAL NON-CURRENT ASSETS		1,834.3	1,466.5
Spare parts		45.9	29.3
Trade receivables	14	1,005.6	942.6
Other current receivables and assets	11	150.0	116.4
Cash and cash equivalents	15	658.8	560.1
TOTAL CURRENT ASSETS		1,860.3	1,648.4
TOTAL ASSETS		3,694.6	3,114.9

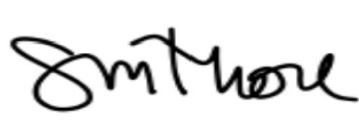
<i>NOK million</i>	Note	31.12.2023	31.12.2022
EQUITY AND LIABILITIES			
Paid-in capital	24	1,093.8	1,093.8
Other equity	25	(17.3)	(315.0)
TOTAL EQUITY		1,076.6	778.8
Non-current interest-bearing borrowings	16	1,088.6	1,084.2
Non-current lease liabilities	17	132.6	96.8
Liability repayment to Odfjell Drilling Ltd	8	307.2	-
Deferred tax liability	8	3.4	-
Post-employment benefits	18	48.3	46.7
Non-current contract liabilities	13	-	37.9
TOTAL NON-CURRENT LIABILITIES		1,580.1	1,265.6
Current interest-bearing borrowings	16	10.3	255.7
Current lease liabilities	17	37.0	30.6
Trade payables		338.9	264.1
Current income tax	8	56.1	55.4
Other current liabilities	19	595.6	464.6
TOTAL CURRENT LIABILITIES		1,037.9	1,070.4
TOTAL LIABILITIES		2,618.0	2,336.1
TOTAL EQUITY AND LIABILITIES		3,694.6	3,114.9

The Board of Odfjell Technology Ltd.

17 April 2024, London, United Kingdom



Helene Odfjell, Chair



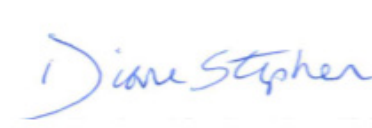
Susanne Munch Thore, Director



Alasdair Shiach, Director



Victor Vadaneaux, Director



Diane Stephen, General Manager

Consolidated Group Financial Statements

Consolidated Statement of Changes in Equity

<i>NOK million</i>	Note	Share capital	Other contributed capital	Total Paid-in capital	Other reserves	Retained earnings	Total Other equity	Total equity
BALANCE AT 1 JANUARY 2022		0.1	-	0.1	645.4	2,316.6	2,962.1	2,962.2
Profit for the period		-	-	-	-	253.0	253.0	253.0
Other comprehensive income for the period		-	-	-	151.4	(1.5)	149.9	149.9
Total comprehensive income for the period		-	-	-	151.4	251.5	402.9	402.9
Equity contribution from Odfjell Drilling Ltd.		3.4	1,090.3	1,093.7	-	(1,049.1)	(1,049.1)	44.6
Dividends distributed to Odfjell Drilling Ltd. Group		-	-	-	-	(321.1)	(321.1)	(321.1)
Continuity difference		-	-	-	-	(2,312.6)	(2,312.6)	(2,312.6)
Cost of share-based option plan	33	-	-	-	2.8	-	2.8	2.8
Transactions with owners		3.4	1,090.3	1,093.7	2.8	(3,682.8)	(3,680.0)	(2,586.2)
BALANCE AT 31 DECEMBER 2022		3.5	1,090.3	1,093.8	799.7	(1,114.7)	(315.0)	778.8
Profit for the period		-	-	-	-	344.2	344.2	344.2
Other comprehensive income for the period		-	-	-	56.4	(8.9)	47.5	47.5
Total comprehensive income for the period		-	-	-	56.4	335.3	391.7	391.7
Dividends paid to shareholders	24	-	-	-	-	(100.0)	(100.0)	(100.0)
Cost of share-based option plan	33	-	-	-	6.0	-	6.0	6.0
Transactions with owners		-	-	-	6.0	(100.0)	(93.9)	(93.9)
BALANCE AT 31 DECEMBER 2023		3.5	1,090.3	1,093.8	862.1	(879.3)	(17.3)	1,076.6

The accompanying notes are an integral part of these financial statements.

Consolidated Group Financial Statements

Consolidated Statement of Cash Flows

for the year ended 31 December

NOK million	Note	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit/(loss) before tax		361.5	226.2
ADJUSTMENT FOR PROVISIONS AND OTHER NON-CASH ELEMENTS:			
Depreciation, amortisation and impairment	9,10	348.0	288.4
Net interest expense		133.1	104.7
Share of (profit)/loss from joint ventures	30	(5.1)	19.9
Net (gain)/loss on sale of tangible fixed assets		(26.9)	(13.6)
Post-employment benefit expenses less post-employment benefit payments		(10.5)	(1.1)
Net currency (gain)/loss not related to operating activities		10.9	27.7
Other provisions and adjustments for non-cash items		14.3	12.9
CHANGES IN WORKING CAPITAL:			
Spare parts		(16.1)	(4.8)
Trade receivables and contract assets		(33.2)	(103.7)
Trade payables		65.4	39.5
Other accruals		36.9	79.6
Cash generated from operations		878.5	675.7
Net interest paid		(128.9)	(86.8)
Payment related to tax case in Norway	8	(307.2)	-
Funds received from Odfjell Drilling Ltd regarding tax case	8	307.2	-
Net income tax paid		(51.6)	(21.2)
NET CASH FLOW FROM OPERATING ACTIVITIES		698.0	567.7

NOK million	Note	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		(237.4)	(336.1)
Proceeds from sale of property, plant and equipment		32.8	16.6
Other non-current receivables		0.6	(8.0)
Cash used in obtaining control of subsidiaries		-	(2,312.6)
Cash payments to acquire interests in joint-ventures	30	-	(30.0)
Mandatory convertible subordinated loan to joint venture	30	(18.0)	(35.4)
NET CASH FLOW FROM INVESTING ACTIVITIES		(221.9)	(2,705.4)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net change group cash pool receivables and liabilities		-	1,057.3
Proceeds from borrowings	16	-	1,295.5
Repayment of borrowings	16	(268.9)	-
Repayment of lease liabilities	17	(26.2)	(20.5)
Proceeds from capital increases		-	44.7
Dividends paid to Odfjell Drilling Ltd. Group		-	(176.9)
Dividends paid to shareholders	24	(100.0)	-
NET CASH FLOW FROM FINANCING ACTIVITIES		(395.1)	2,200.2
Effects of exchange rate changes on cash and cash equivalents		17.7	(0.1)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		98.7	62.3
Cash and cash equivalents at beginning of period		560.1	497.8
CASH AND CASH EQUIVALENTS AT PERIOD END		658.8	560.1

The accompanying notes are an integral part of these financial statements

Consolidated Group Financial Statements

Notes to the Consolidated Financial Statements 2023

All amounts are in NOK million unless otherwise stated

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Consolidated Group Financial Statements

NOTE 1 General information

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

Odfjell Technology, a limited liability company, is incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. Odfjell

Technology Ltd's head office is at Prime View, Prime Four Business Park, Kingswells, Aberdeen, AB12 3LG, United Kingdom and the Company is tax resident in the United Kingdom.

The consolidated financial statements including notes for Odfjell Technology Ltd. for the year 2023 were approved by the Board of Directors on 17 April 2024.

NOTE 2 Basis for preparing the consolidated financial statements

Basis for preparation

The consolidated financial statements of the Group for the year ended 31 December 2023 comply with IFRS® Accounting Standards as endorsed by the EU.

The consolidated financial statements ended 31 December 2023 comprise the income statement, statement of comprehensive income, statement of financial position, statement of cash flow, statement of changes in equity and note disclosures.

Going concern

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

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

Taking all relevant risk factors into consideration, the Board has a reasonable expectation that the Group has adequate resources to continue its operational

existence for the foreseeable future. Hence, the Group has adopted the going concern basis in preparing its consolidated financial statements.

Basis of measurement

The consolidated financial statements have been prepared under the historical cost convention, except for derivative financial instruments, debt and equity financial assets, plan assets in defined benefit pension plans and contingent consideration that have been measured at fair value.

The preparation of financial statements in conformity with Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where the assumptions and estimates are significant to the consolidated financial statements are disclosed in each relevant note.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries.

Subsidiaries are all entities over which the Group has control. Subsidiaries are listed in [Note 29](#).

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Foreign currency translation

(a) Functional and presentation currency

Items included in the separate financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in NOK (in million), which is the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the monthly exchange rates for the month the transactions are recognised.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Foreign exchange gains and losses are presented in the income statement within 'other financial items'.

(c) Group companies

The results and financial position of all the Group's entities that have a functional currency different from the presentation currency (NOK) are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income.

Consolidated Group Financial Statements

The following are the most significant exchange rates used in the consolidation:

	Average rate	Average rate	Closing rate	Closing rate
	2023	2022	31.12.2023	31.12.2022
USD	10.5658	9.6197	10.1724	9.8573
GBP	13.1407	11.8610	12.9342	11.8541
EUR	11.4305	10.1128	11.2405	10.5138

Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle, when it is held primarily for the purpose of trading, when it is expected to be

realised within twelve months after the reporting period, or when it is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is expected to be settled in the normal operating cycle, when it is held primarily for the purpose of trading, when it is

due to be settled within twelve months after the reporting period, or when there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Contract liabilities are classified as current liabilities as they are expected to be settled in the normal operating cycle.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Statement of cash flows

The statement of cash flows is prepared under the indirect method. Cash and cash equivalents include cash, bank deposits and other monetary instruments with a maturity of less than three months at the date of purchase.

NOTE 3 Critical accounting estimates and judgements

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.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are listed below.

Detailed information regarding estimation uncertainties are disclosed in the following notes.

- Revenue recognition (Note 5 - Revenue)
- Determination of expected economic life of assets (Note 9 - Tangible fixed assets)
- Estimation of trade receivable impairment losses (Note 23 - Credit risk)

Detailed information regarding significant judgement exercised are disclosed in the following notes.

- Recognition of deferred tax asset for carried forward tax losses (Note 8 - Income Taxes)
- Provisions and contingent liabilities (Note 27 - Contingencies)
- Evaluation of indicators of impairment (Note 9 - Tangible fixed assets)
- Determination of lease term (Note 17 - Leases)

Consolidated Group Financial Statements

NOTE 4 Segment summary

Accounting policy

Operating segments are reported in a manner consistent with the internal financial reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board.

Segment reporting

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.

Changes in the segment reporting

Odfjell Rig Inspection Services (RIS) Norway is a one stop shop for Installation services, Rope Access services, Inspection/NDT services and Enterprise and competence services. As the activity in RIS Norway has more operational synergies with the segment Operations, it was moved from Projects & Engineering to Operations. As of 1.1.2023 the RIS Norway segment is fully managed and reported as part of the Business Area Operations. Comparable figures have been restated accordingly.

Management has also changed how revenue for each segment is presented. As of January 2023, all revenue generated by a segment is allocated to that said segment, even though the end customer is invoiced through a contract within a different segment. Therefore, there is no inter segment revenue in the segments. Comparable figures have been restated accordingly.

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. The Group provides well services, drilling operations and engineering services to the offshore oil and gas industry. 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		Operations		Projects & Engineering		Corporate / GBS		Consolidated	
NOK MILLION	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022
External segment revenue	1,778.6	1,365.4	2,382.3	1,972.1	607.3	356.5	253.2	190.9	5,021.4	3,885.0
Inter segment revenue	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	1,778.6	1,365.4	2,382.3	1,972.1	607.3	356.5	253.2	190.9	5,021.4	3,885.0
EBITDA	625.2	485.3	175.6	184.8	94.4	44.5	(55.1)	(42.1)	840.1	672.5
Depreciation and amortisation	(303.6)	(259.3)	(0.0)	(0.1)	(1.2)	(0.6)	(43.3)	(28.4)	(348.0)	(288.4)
EBIT	321.6	226.0	175.6	184.8	93.2	43.9	(98.4)	(70.5)	492.1	384.1
Share of profit (loss) from joint ventures and associates									5.1	(19.9)
Net financial items									(135.7)	(138.0)
PROFIT / (LOSS) BEFORE TAX - CONSOLIDATED GROUP									361.5	226.2

* Restated due to changes in segment reporting, as explained above

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

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NOTE 5 Revenue

Accounting policy - Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over rendered services to the customer.

The Group has, as a practical expedient in IFRS 15, recognised the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the entity otherwise would have recognised is one year or less.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The Group has only operating leases as a lessor. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. The lease term may vary from contract to contract, and only includes the non-cancellable period of the contract with the addition of optional renewable periods if the lessee is reasonably certain to extend. None of the existing contracts have optional periods included in the lease term. The lease term is reassessed when options to extend are exercised.

Revenue specification

NOK million	2023	2022
Revenue from contracts with customers	4,521.2	3,430.5
Lease component in Well Services contracts	499.6	454.0
Other operating revenue	0.5	0.4
OPERATING REVENUE	5,021.4	3,885.0

Significant estimation uncertainty

There is estimation uncertainty in the Group's revenue recognition related to bonus and other variable considerations. The Group estimate these variable fees using a most likely amount approach on a contract by contract basis. Management makes a detailed assessment of the amount of revenue expected to be received and the probability of success in each case. Variable consideration is included in revenue only to the extent that it is highly probable that the amount will not be subject to significant reversal when the uncertainty is resolved.

Well Services

The Well Services segment (OWS) 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.

Revenue for the rental services are recognised according to IFRS 16 **Leases** and is accounted for on a straight-line basis over the lease terms.

Services related to contracts with customers are provided as a series of distinct services that are substantially the same and have the same pattern of transfer to the customer. Revenue is based on

the transaction price in the contracts with customers, which is a combination of fees for equipment used, personnel on board and other pricing elements. Payment of the transaction price is usually due on a monthly basis. The Group generally recognise revenue over time because of the continuous transfer of control to the customer. The period for recognising revenue is generally equal to the contract period.

Operations

The Operations segment provides integrated drilling and maintenance services for 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 in the North Sea. Services are provided as a series of distinct services that are substantially the same and have the same pattern of transfer to the customer.

Revenue is based on the transaction price in the contracts with customers. The main part of the transaction price is fixed day rates, which can vary depending on the phase of contract. Payment of the day rate based transaction price is usually due on a monthly basis. Some contracts may contain milestone payments or prepayment for maintenance services not yet performed. Refer to [Note 13 - Contract balances](#).

The Group generally recognise revenue over time because of the continuous transfer of control to the customer. The period for recognising revenue is generally equal to the contract period.

Some of the contracts include fees for variable or conditional service fee arrangements, such as bonuses for meeting or exceeding certain performance targets. The Group estimate these variable fees using a most likely amount approach, see further description above under the "Significant estimation uncertainty" paragraph.

Projects & Engineering

The Projects & Engineering segment offers engineering services, including design, project management and operation and support. The transaction prices in the contracts are mainly based on rates per hour, but the Business Area may from time to time have some lump sum projects. The Group generally recognise revenue over time because of the continuous transfer of control to the customer. The period for recognising revenue is generally equal to the contract period.

Revenue from single external customers (> 10% of revenues)

NOK million	Note	2023	2022
Customer 1	31	798.8	816.7
Customer 2		572.7	544.7
Customer 3		441.0	408.7

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Disaggregation of revenue by primary geographical markets

	Well Services		Operations		Projects & Engineering		Corporate / GBS		Consolidated	
NOK MILLION	2023	2022	2023	2022*	2023	2022*	2023	2022*	2023	2022
Norway	910.9	759.0	1,585.8	1,305.0	501.9	297.0	248.5	185.4	3,247.1	2,546.5
UK	188.6	117.5	796.5	667.1	105.3	59.5	2.3	3.1	1,092.7	847.3
Europe - other countries	231.4	176.9	-	-	-	-	-	-	231.4	176.9
Malaysia	115.0	78.9	-	-	-	-	-	-	115.0	78.9
Asia - other countries	258.6	224.1	-	-	-	-	2.5	2.3	261.1	226.4
Other geographical markets	74.1	9.0	-	-	-	-	-	-	74.1	9.0
TOTAL OPERATING REVENUE	1,778.6	1,365.4	2,382.3	1,972.1	607.3	356.5	253.2	190.9	5,021.4	3,885.0

* Restated due to changes in segment reporting, as explained in Note 4

Performance obligations in contracts

Amounts allocated to performance obligations that are to be completed under existing customer contracts are set out as service elements in the following table.

The firm contract backlog does not include variable consideration which is constrained. The services provided under these contracts will be billed based on time incurred and at day rates according to contract.

Some Well Services contracts are for periods of one year or less and are billed based on time incurred. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

NOK million	Future minimum lease payments	Performance obligations	Total firm backlog
Within one year	165	2,881	3,046
Between one and two years	99	1,301	1,400
Between two and three years	66	668	734
Between three and four years	-	443	443
Between four and five years	-	313	313
After five years	-	50	50
TOTAL	330	5,657	5,987

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NOTE 6 Personnel Expenses

Specification

<i>NOK million</i>	Note	2023	2022
Salaries and wages		2,103.9	1,605.5
Employer's national insurance contributions		312.4	218.2
Pension expenses	18	134.4	104.9
Cost of share-based option plan	33	6.0	2.8
Other benefits		137.8	90.0
Hired personnel		338.4	360.1
TOTAL PERSONNEL EXPENSES		3,032.9	2,381.6
		2023	2022
No. of employees (annual average)		2,299	1,966

NOTE 7 Combined items, income statement

Other gains and losses

<i>NOK million</i>	2023	2022
Net gain on disposal of tangible fixed assets	26.9	13.6
OTHER GAINS AND LOSSES	26.9	13.6

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Other operating expenses

<i>NOK million</i>	2023	2022
Hired services	107.0	100.5
Hired equipment	151.8	90.9
Repair and maintenance, inspection, tools, fixtures and fittings	565.9	391.1
Insurance	7.0	5.2
Freight and transport	74.7	48.9
Premises facility expenses	74.4	47.8
Travel and course expenses	119.6	74.8
Other operating and administrative expenses	74.7	85.3
TOTAL OTHER OPERATING EXPENSES	1,175.2	844.5

Interest expenses

<i>NOK million</i>	Note	2023	2022
Interest expenses borrowings		138.5	96.6
Amortised transaction costs borrowings		5.6	4.5
Interest expenses lease liabilities	17	11.1	7.8
Other interest expenses		3.7	1.8
TOTAL INTEREST EXPENSES		159.0	110.7

Other financial items

<i>NOK million</i>	2023	2022
Net currency gain / (loss)	(1.0)	(31.8)
Other financial income	-	0.1
Other financial expenses	(1.5)	(1.6)
TOTAL OTHER FINANCIAL ITEMS	(2.5)	(33.3)

NOTE 8 Income Taxes

Accounting policy

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate

and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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Significant judgement executed - uncertain tax position

Odfjell Offshore Ltd, a subsidiary of Odfjell Technology Ltd., was registered as a Norwegian Registered Foreign Company (NUF) on 08.03.2016 after migration of the company in January 2016, and is taxable for income to Norway. In 2017, the company filed for a tax deduction, of approximately NOK 2.3 billion, on redemption of shares in Deep Sea Metro Ltd. A total of NOK 1.3 billion of this loss has been utilised through group contributions received from other Norwegian entities within the Odfjell Drilling Ltd group in the period 2017 to 2021.

21 December 2022 Odfjell Offshore Ltd received a tax ruling from the Norwegian Tax Authorities 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 will appeal the ruling, 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. The amount was financed and refunded from Odfjell Drilling Ltd., as it is covered by the letter of indemnity issued 1 March 2022 to Odfjell Technology Ltd. Odfjell Drilling Ltd will hold the Company indemnified in respect of any liability that may occur in relation to the ongoing Odfjell Offshore Ltd tax case for the financial years 2017 through to 2021. This includes financing of prepayments to the Norwegian Tax Authorities, and funds for legal proceedings.

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 year 2022 income taxes payable for companies taxable in Norway amounts to NOK 36 million. Following the tax ruling in December 2022, the income taxes can no longer be offset by tax losses carried forward, and the Group paid the amount in April 2023. Income taxes payable to Norway in 2024 for the financial

year 2023 is calculated to NOK 41 million. 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 of NOK 77 million.

OECD Pillar Two model rules

The Group is within the scope of the OECD Pillar Two model rules, however it is not expected to come into effect for the group until 2027 at the earliest due to the revenue thresholds in the rules. Since the Pillar Two legislation was not effective at the reporting date, the Group has no related current tax exposure. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023. Under the legislation, the Group will be liable to pay a top-up tax for the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate.

The Group is in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect. Due to the complexities in applying the legislation and calculating GloBE income, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable

Income tax expense

NOK million	2023	2022
Payable income tax expense	(57.8)	(51.5)
Net utilisation of unrecognised tax losses	1.6	42.8
Change in deferred tax assets and liabilities	38.9	35.4
TOTAL INCOME TAX EXPENSE	(17.3)	26.8
Effective tax rate	4.8 %	-11.8 %

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Tax reconciliation

USD million	2023	2022
Profit before income tax expense	361.5	226.2
Tax calculated at domestic tax rates applicable to profits in respective countries*	(34.0)	(38.7)
Utilisation of unrecognised tax losses	42.7	78.4
Effect of changes in tax rates	0.0	0.1
Effect of adjustments recognised related to prior periods	(2.7)	5.3
Effect of net non-taxable income / (expenses)	(23.3)	(18.2)
INCOME TAX EXPENSE	(17.3)	26.8

* Domestic tax rates applicable to the Group varies between 0% and 25% for corporate income taxes (CIT).

Tax losses

NOK million	31.12.2023	31.12.2022
Unused tax losses for which no deferred tax asset has been recognised	603.7	795.6
Potential tax benefit (22%)	133.2	175.5

The Group has an unrecognised tax asset of NOK 133 million, which is mainly related to the challenged tax loss incurred by Odfjell Offshore Ltd as explained above.

Deferred tax assets - Specification and movements

NOK million	Tax losses	Current assets	Net pension liabilities	Fixed assets	Lease liabilities	Deferred tax liabilities	Net book value of deferred tax asset
						Total offset in deferred tax assets	
Opening balance 01.01.2022	-	1.8	10.3	2.8	20.8	35.7	
Income statement charge	35.6	0.2	(0.4)	(2.2)	5.4	38.4	
Change in deferred tax on other comprehensive income	-	-	0.4	-	-	0.4	
Currency translation differences	-	(0.0)	-	0.0	0.2	0.2	
CLOSING BALANCE 31.12.2022	35.6	1.9	10.3	0.6	26.4	74.7	(23.4)
Income statement charge	41.1	(2.0)	(2.2)	(0.1)	9.6	46.5	
Change in deferred tax on other comprehensive income	-	-	2.5	-	-	2.5	
Currency translation differences	-	0.1	-	(0.0)	0.4	0.5	
CLOSING BALANCE 31.12.2023	76.6	0.0	10.6	0.5	36.4	124.2	(31.0)
							93.3

The movement in unrecognised tax assets is as follows:

NOK million	2023	2022
Unrecognised tax asset as at 01.01	175.5	253.8
Utilisation of unrecognised tax losses	(42.7)	(78.4)
Currency translation differences	0.3	0.2
UNRECOGNISED TAX ASSET AS AT 31.12	133.2	175.5

The gross movement on the recognised deferred tax account is as follows:

NOK million	2023	2022
Net deferred tax assets/(deferred tax liabilities) at 01.01	51.3	15.5
Income statement charge	38.9	35.4
Change in deferred tax on other comprehensive income	(0.4)	0.4
Currency translation differences	0.1	0.0
NET DEFERRED TAX ASSETS/(DEFERRED TAX LIABILITIES) AT 31.12	89.9	51.3

The Group's recognised deferred tax assets are related to operations in Norway and the UK.

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Deferred tax liabilities - Specification and movements

<i>NOK million</i>	Deferred capital gains	Current assets	Right-of-use Assets	Deferred tax liabilities Total offset in deferred tax assets	Net book value of deferred tax liability
Opening balance 01.01.2022	(0.0)	-	(20.2)	(20.2)	
Income statement charge	0.0	(0.0)	(3.1)	(3.1)	
Currency translation differences	-	(0.0)	(0.2)	(0.2)	
CLOSING BALANCE 31.12.2022	(0.0)	(0.0)	(23.4)	(23.4)	23.4
Income statement charge	0.0	(1.9)	(5.7)	(7.6)	
Change in deferred tax on other comprehensive income	-	(2.9)	-	(2.9)	
Currency translation differences	-	(0.0)	(0.4)	(0.4)	
CLOSING BALANCE 31.12.2023	(0.0)	(4.8)	(29.5)	(34.4)	31.0
					(3.4)

The income tax (charge)/credit relating to components of the other comprehensive income is as follows:

<i>NOK million</i>	Before tax 2023	Tax (charge)/ credit 2023	After tax 2023	Before tax 2022	Tax (charge)/ credit 2022	After tax 2022
Actuarial loss on post employment benefit obligations	(11.4)	2.5	(8.9)	(1.9)	0.4	(1.5)
Deferred tax related to cash flow hedging instruments under hedge accounting	0.9	(2.9)	(2.0)	10.8	-	10.8
OTHER COMPREHENSIVE INCOME	(10.5)	(0.4)	(10.9)	8.9	0.4	9.3
Deferred tax		(0.4)			0.4	

NOTE 9 Tangible fixed assets

Accounting policy

Property, plant and equipment comprise mainly of, well services equipment and machinery and equipment. Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes purchase price, any directly attributable costs of bringing the asset to working condition and borrowing costs.

Depreciation is calculated on a straight-line basis over the useful life of the asset or component.

The depreciable amount equals historical cost less residual value. Items of property, plant and equipment with components that have substantially different useful lives are treated separately for depreciation purposes.

Subsequent costs for day-to-day repairs and maintenance are expensed as incurred.

The cost of modernisation and rebuilding projects is included in the asset's carrying amount when it is probable that the Group will derive future

financial benefits and the cost of the item can be measured reliably. The carrying amount of the replaced part is written off. Modernisation and rebuilding projects are depreciated over the remaining useful life of the related assets.

The useful lives of assets and the depreciation methods are reviewed periodically in order to ensure that the method and period of depreciation are consistent with the expected pattern of financial benefits from the asset, taking into account current and expected climate risk.

When assets are sold or retired, their cost and accumulated depreciation and accumulated impairment loss are eliminated from the accounts and any gain or loss resulting from their disposal is included in the income statement as other gains and losses.

Residual values for property, plant and equipment are estimated to be zero.

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Impairment of non-financial assets

All non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Value in use represents the present value of estimated future cash flows expected to

arise from the continuing use of an asset and from its disposal at the end of its useful life.

Non-financial assets, other than goodwill, that have suffered an impairment, are reviewed for reversal of the impairment whenever events or changes in circumstances indicate that the

impairment loss recognised in prior periods may no longer exist or may have decreased.

Assets subject to operating leases

Well Service equipment contain assets used in contracts with customers that contain a lease component.

Specification and movements

	2023	2023	2023	2023	2022	2022	2022	2022
NOK million	Well Services equipment	Other fixed assets	Right-of-use assets	Total fixed assets	Well Services equipment	Other fixed assets	Right-of-use assets	Total fixed assets
COST								
At 1 January	4,090.4	194.7	186.7	4,471.9	3,595.8	184.1	156.7	3,936.6
Additions	182.2	27.5	65.5	275.2	309.6	16.6	38.5	364.7
Disposals	(102.7)	(10.2)	(29.7)	(142.6)	(198.3)	(10.0)	(10.9)	(219.2)
Currency translation differences	116.9	3.1	4.1	124.1	383.4	3.9	2.5	389.7
COST AS AT 31 DECEMBER	4,286.8	215.1	226.7	4,728.6	4,090.4	194.7	186.7	4,471.9
ACCUMULATED DEPRECIATION AND IMPAIRMENT								
At 1 January	(3,169.5)	(160.0)	(73.9)	(3,403.4)	(2,839.2)	(157.5)	(52.5)	(3,049.2)
Depreciation	(283.5)	(12.9)	(27.5)	(323.9)	(232.4)	(9.5)	(22.7)	(264.6)
Impairment / (reversal of impairment)	-	-	0.8	0.8	-	-	(8.5)	(8.5)
Disposals	96.8	10.2	20.5	127.5	195.3	10.0	10.9	216.1
Currency translation differences	(83.6)	(2.7)	(2.4)	(88.7)	(293.2)	(2.9)	(1.2)	(297.3)
AS AT 31 DECEMBER	(3,439.8)	(165.5)	(82.4)	(3,687.7)	(3,169.5)	(160.0)	(73.9)	(3,403.4)
NET BOOK VALUE AT 31 DECEMBER	847.0	49.7	144.2	1,040.9	921.0	34.7	112.8	1,068.4
Useful lifetime	3 - 10 years	3 - 5 years	2-12 years		3 - 10 years	3 - 5 years	2-12 years	
Depreciation schedule	Straight line	Straight line	Straight line		Straight line	Straight line	Straight line	

For more information about Right-of-use assets, refer to [Note 17 - Leases](#).

Refer to [Note 28](#) for information about capital commitments.

Significant estimation uncertainty

Management exercises judgement in determining the expected economic life of assets in the Well Services segment. Management uses knowledge of the oil industry and the estimated market development, as well as expected technological development as basis for determining useful life.

The evaluation includes effects of the climate change and the shift to renewable energy sources.

Significant judgement exercised

Management exercises significant judgement in determining whether there are any indicators of

impairment. Management evaluates both external and internal sources of information in the indicator assessments. The assessments include estimated effects of the climate change and the shift to renewable energy sources.

Impairment of property, plant and equipment

The Group has not identified any impairment indicators, nor any indicators for reversal of impairment as at 31 December 2023.

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NOTE 10 Intangible assets

Accounting policy - Goodwill and Intangible assets

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest and net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquired entity and the fair value of non-controlling interest in the acquired entity.

Software assets are stated at their historical cost less any accumulated amortisation and any accumulated impairment losses. Historical cost includes the purchase price and any directly attributable costs of bringing the asset to working condition.

Accounting policy - Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Specification and movements 2023

<i>NOK million</i>	Goodwill	Software	Patents and acquired R&D	Internally developed assets	Total intangible assets
COST					
At 1 January 2023	132.8	282.3	20.9	19.2	455.2
Additions	-	28.5	-	0.6	29.1
Disposals	-	(23.6)	-	-	(23.6)
Currency translation differences	-	0.0	0.7	0.6	1.3
COST AS AT 31 DECEMBER 2023	132.8	287.2	21.5	20.5	461.9
ACCUMULATED AMORTISATION AND IMPAIRMENT					
At 1 January 2023	-	(189.1)	(6.4)	(7.5)	(203.1)
Amortisation	-	(20.2)	(2.2)	(2.5)	(24.9)
Disposals	-	23.6	-	-	23.6
Currency translation differences	-	-	(0.1)	(0.1)	(0.3)
AS AT 31 DECEMBER 2023	-	(185.6)	(8.8)	(10.2)	(204.6)
NET BOOK VALUE AT 31 DECEMBER 2023	132.8	101.5	12.7	10.3	257.3
<i>Useful lifetime</i>		3-7 years	5-10 years	10 years	
<i>Depreciation schedule</i>		Straight line	Straight line	Straight line	

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Internally developed assets

The carrying amount of internally developed assets include development expenses incurred in connection with developing a new drill-hole cleaning tool. The technology has been patented. The Group have documented that the new technology met the criteria for recognition in the balance sheet. The new tool is part of Well Services product line and is expected to generate future cash flow to support the book value as at 31 December 2023.

The developed assets are amortised using a straight-line method over an estimated lifetime of 10 years.

Specification and movements 2022

<i>NOK million</i>	Goodwill	Software	Patents and acquired R&D	Internally developed assets	Total intangible assets
COST					
At 1 January 2022	132.8	241.4	18.7	11.7	404.6
Additions	-	40.9	-	6.0	46.8
Currency translation differences	-	0.0	2.2	1.5	3.7
COST AS AT 31 DECEMBER 2022	132.8	282.3	20.9	19.2	455.2
ACCUMULATED AMORTISATION AND IMPAIRMENT					
At 1 January 2022	-	(176.8)	(3.9)	(5.9)	(186.5)
Amortisation	-	(12.3)	(2.0)	(0.9)	(15.3)
Currency translation differences	-	-	(0.5)	(0.7)	(1.2)
AS AT 31 DECEMBER 2022	-	(189.1)	(6.4)	(7.5)	(203.1)
NET BOOK VALUE AT 31 DECEMBER 2022	132.8	93.2	14.4	11.7	252.1
<i>Useful lifetime</i>		3-7 years	5-10 years	10 years	
<i>Depreciation schedule</i>		Straight line	Straight line	Straight line	

Impairment tests for goodwill - Accounting principle

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units (CGUs), or groups of CGUs, that are expected to benefit from the synergies of the combination. Each unit

or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is

the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

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Summary of goodwill allocation for each operating segment

	Well Services		Operations		Projects & Engineering		Total	
<i>NOK million</i>	2023	2022	2023	2022	2023	2022	2023	2022
At 1 January	36.4	36.4	86.7	86.7	9.7	9.7	132.8	132.8
NET BOOK VALUE AT 31 DECEMBER	36.4	36.4	86.7	86.7	9.7	9.7	132.8	132.8

The recoverable amount of the CGUs has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on prognoses made by management covering a five-year period. The prognosis for the EBITDA margin in 2024 and the following years is based on past performance and expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax weighted average cost of capital and reflect specific risks relating to the relevant operating segments.

These assumptions have been used for the analysis of each CGU within the operating segment.

<i>Key assumptions for value-in-use calculations</i>	Well Services		Operations		Projects & Engineering	
	2023	2022	2023	2022	2023	2022
EBITDA margin in prognosis period	31%-35%	35-37%	6.5%-7%	8% - 9%	13%-14%	12% - 13%
Growth rate year 6 and forward	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Weighted Average Cost of Capital, pre-tax	12%	12%	9%	9%	10%	10%

Impairment tests performed for goodwill for respective CGUs do not indicate any impairment as per 31.12.2023.

Sensitivity analysis for goodwill impairment test as at 31.12.2023

The Group has performed sensitivity analysis for the goodwill impairment test by reducing operating income by one, five and ten percent

and EBITDA margin by one, five and ten percentage points respectively for each of the segments.

Reducing EBITDA margin by ten percentage points indicated an impairment write-down of NOK 87 million in the Operations segment.

None of the other scenarios indicated any impairment write-down of goodwill as at 31 December 2023.

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NOTE 11 Other assets

Other non-current assets

NOK million	31.12.2023	31.12.2022
Deposits	39.3	33.9
Overfunding pension liabilities	1.0	-
Other non-current receivables	8.7	-
TOTAL OTHER NON-CURRENT ASSETS	49.0	33.9

Other current assets

NOK million	Note	31.12.2023	31.12.2022
Prepaid expenses		60.2	55.7
Income tax receivables		17.0	20.7
VAT receivables		37.9	14.3
Contract assets	13	-	0.9
Other current receivables		35.0	24.9
TOTAL OTHER CURRENT RECEIVABLES AND ASSETS		150.0	116.4

NOTE 12 Financial assets and liabilities

Accounting policies

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Derivatives are valued at fair value through profit or loss (FVPL) unless designated as hedges.

The Group has applied the practical expedient under IFRS 9 and are measuring the initial recognition of trade receivables at the transaction price determined under IFRS 15.

Financial assets are de-recognised when the contractual rights to the cash flows from the financial assets expire or are transferred. Realised gains and losses arise from financial assets not designated for hedging, are recognised in the income statement as financial item in the period they occur.

Financial liabilities

The Group's financial liabilities include trade and other payables, as well as borrowings.

The loans and borrowings category is the most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process. Refer to further information in [Note 16 - Interest-bearing borrowings](#).

Fair value measurement

The Group measures financial instruments such as derivatives, at fair value at each balance sheet date.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described below, based on the lowest level input that is significant to the fair value measurement as a whole.

Financial instruments by category and level

The tables below analyse financial instruments carried at fair value, by valuation method, based on the lowest level input that is significant to the fair value measurement as a whole. The different levels have been defined as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)

- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). For short term assets and liabilities at level 3, the value is approximately equal to the carrying amount. As the time horizon is due in short term, future cash flows are not discounted.

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.

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The Group had the following financial instruments at each reporting period:

<i>NOK million</i>	Note	Level	31.12.2023	31.12.2022
Financial assets at fair value through profit or loss				
Derivatives designated as hedging instruments				
- Interest rate swaps - Other non-current assets	22	2	11.7	10.8
Other financial assets				
Other non-current receivables	11		48.0	33.9
Trade receivables	14		1,005.6	942.6
Other current receivables	11		35.0	25.8
Cash and cash equivalents	15		658.8	560.1
TOTAL FINANCIAL ASSETS			1,759.0	1,573.0

<i>NOK million</i>	Note	Level	31.12.2023	31.12.2022
Other financial liabilities				
Non-current interest-bearing borrowings	16		1,088.6	1,084.2
Non-current lease liabilities	17		132.6	96.8
Current interest-bearing borrowings	16		10.3	255.7
Current lease liabilities	17		37.0	30.6
Trade payables			338.9	264.1
Other current liabilities	19		348.9	310.1
TOTAL FINANCIAL LIABILITIES			1,956.3	2,041.5

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

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NOTE 13 Contract balances

Accounting policies - Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

For costs to fulfil contracts where the Group operates as a lessor, the Group has chosen to apply the guidance in IFRS 15 by analogy.

Accounting policies - Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Contract liabilities are classified as current liabilities as they are expected to be settled in the normal operating cycle.

Contract balances specification

<i>NOK million</i>	31.12.2023	31.12.2022
Contract assets	-	0.9
Contract liabilities	84.3	63.0

The contract liabilities are mainly related to the Operations segment.

Of the contract liabilities as at 31 December 2023, approximately NOK 10 million is expected to be recognised as revenue during 2024. The remaining relates to Operations contracts and will be recognised as revenue over an estimated period up to 5 years.

Set out below is the amount of revenue recognised from:

<i>NOK million</i>	2023	2022
Amounts included in contract liabilities at the beginning of the year	0.9	2.5
Performance obligations satisfied in the previous years	1.2	-

NOTE 14 Trade receivables

Accounting policy

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Trade receivables are financial assets and are recognised and measured according to accounting policies described in [Note 12 - Financial assets and liabilities](#).

Trade receivables specification

<i>NOK million</i>	Note	31.12.2023	31.12.2022
Trade receivables		641.0	504.3
Earned, not yet invoiced operating revenues		382.4	452.7
Loss allowance	23	(17.8)	(14.5)
TRADE RECEIVABLES - NET		1,005.6	942.6

As the receivables are due in the short term, the fair value is approximately equal to the carrying amount, and the future cash flows are not discounted.

For information about currencies, ageing and loss allowance, refer to [Note 23 - Credit risk](#).

NOTE 15 Cash and cash equivalents

Accounting policy

Cash and cash equivalents include cash in hand, deposits held at call with banks, other current highly-liquid investments with original maturities of three months or less.

Cash specification:

<i>NOK million</i>	31.12.2023	31.12.2022
Cash in bank	486.0	190.7
Time deposits	101.7	306.7
Restricted bank deposits *	71.0	62.7
TOTAL CASH AND CASH EQUIVALENTS	658.8	560.1

* The restricted bank deposits are mainly related to tax withholdings for employees.

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NOTE 16 Interest-bearing borrowings

Accounting policy

Borrowings are financial liabilities recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the

redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of

the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates. Fees related to

revolving credit facilities are amortised on a straight-line basis over the period which the credit facility is available.

Also refer to accounting policies regarding Financial liabilities in [Note 12 - Financial assets and liabilities](#).

Interest-bearing borrowings specification as at 31 December

	Non-current	Current	Total	Non-current	Current	Total
<i>NOK million</i>	2023	2023	2023	2022	2022	2022
Bond loan	1,100.0	-	1,100.0	1,100.0	-	1,100.0
Bank borrowings	-	-	-	-	246.4	246.4
Transaction cost, unamortised	(11.4)	(2.7)	(14.0)	(15.8)	(3.9)	(19.7)
Accrued interest expenses		12.9	12.9	-	13.2	13.2
CARRYING AMOUNTS INTEREST-BEARING BORROWINGS	1,088.6	10.3	1,098.9	1,084.2	255.7	1,340.0

Movements in interest-bearing borrowings

	Non-current	Current	Total	Non-current	Current	Total
<i>NOK million</i>	2023	2023	2023	2022	2022	2022
Carrying amount as at 1 January	1,084.2	255.7	1,340.0	-	-	-
CASH FLOWS:						
New borrowings	-	-	-	1,100.0	219.7	1,319.7
Paid transaction costs related to new borrowings	-	-	-	(19.2)	(5.0)	(24.2)
REPAYMENT BORROWINGS	-	(268.9)	(268.9)	-	-	-
Non-cash flows:						
Change in transaction cost, unamortised	4.4	1.2	5.6	3.5	1.0	4.5
Change in accrued interest cost	-	(0.3)	(0.3)	-	13.2	13.2
Change due to currency revaluation	-	22.5	22.5	-	26.7	26.7
CARRYING AMOUNT AS AT 31 DECEMBER	1,088.6	10.3	1,098.9	1,084.2	255.7	1,340.0

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Repayment schedule for interest-bearing borrowings as at 31 December

	Non-current	Current	Total	Non-current	Current	Total
NOK million	2023	2023	2023	2022	2022	2022
Within 3 months	-	-	-	-	-	-
Between 3 and 6 months	-	-	-	-	-	-
Between 6 and 9 months	-	-	-	-	-	-
Between 9 months and 1 year	-	-	-	-	246.4	246.4
Between 1 and 2 years	-	-	-	-	-	-
Between 2 and 3 years	1,100.0	-	1,100.0	-	-	-
Between 3 and 4 years	-	-	-	1,100.0	-	1,100.0
Between 4 and 5 years	-	-	-	-	-	-
Beyond 5 years	-	-	-	-	-	-
TOTAL CONTRACTUAL AMOUNTS	1,100.0	-	1,100.0	1,100.0	246.4	1,346.4

* Refers to the revolving credit facility of USD 25 million which can be redrawn and is available until 28 February 2026.

Refer to [Note 21](#) and [Note 22](#) for further information regarding liquidity risk and interest risk.

The carrying amount and fair value of the non-current liabilities are as follows:

The fair value of non-current borrowings equals their carrying amount, as the loans have floating rates and credit margins have been stable from the loan raising.

Available drawing facilities

The Group has NOK 254 million (the USD 25 million revolving credit facility) in available undrawn facilities as per 31 December 2023.

Compliance with financial covenants as at 31.12.2023

The Odfjell Technology Group is compliant with all financial covenants as at 31 December 2023.

Financial covenants

The borrowing facilities in the Group include the following main covenants:

Odfjell Technology Ltd – NOK 1,100 million bond loan

The Group shall maintain minimum liquidity of USD 15 million (including undrawn amounts under the SSRCF), of which minimum USD 5 million in cash and cash equivalents.

Leverage ratio (net interest bearing debt to EBITDA) shall not exceed 4.00:1.00.

The ratio of current assets to current liabilities shall at all times be a minimum 1.00:1.00.

Odfjell Technology Ltd may pay dividends in an amount up to 50% of its consolidated net income in its previous financial year, subject to compliance with the incurrence test on a pro-forma basis. The incurrence test implies that the leverage ratio (net interest bearing debt to EBITDA) shall not exceed 3.00:1.00.

Odfjell Technology Ltd - USD 25 million super senior revolving credit facility ("SSRCF" or "RCF")

The Group shall maintain minimum liquidity of the higher of USD 15 million and 10% of the interest bearing debt (excluding lease liabilities), in each case of which minimum USD 5 million shall be free and unrestricted cash.

Leverage ratio (net interest bearing debt to EBITDA) shall not exceed 3.75:1.00.

The ratio of current assets to current liabilities shall at all times be a minimum 1.00:1.00.

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NOTE 17 Leases

The Group's leasing activities as a lessee and how these are accounted for

This note relates to the Group as a lessee only.

The Group leases various offices, workshops and warehouses. Rental contracts are typically made for fixed periods of 6 months to 10 years, but may have extension or termination options. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

The lease payments are discounted using the lessee's incremental borrowing rate. To determine the incremental borrowing rate, the Group uses a build-up approach that starts with

a risk-free interest rate adjusted for credit risk for leases held by the Group and makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives

received, any initial direct costs, and any restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and smaller items of office equipment.

Significant judgement exercised

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Right-of-use assets

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. For disclosure of movements, refer to [Note 9 - Tangible fixed assets](#).

Lease liabilities

NOK million

	31.12.2023	31.12.2022
Non-current	132.6	96.8
Current	37.0	30.6
TOTAL	169.6	127.4

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Movements in lease liabilities are analysed as follows:

	Non-current	Current	Total	Non-current	Current	Total
<i>NOK million</i>	2023	2023	2023	2022	2022	2022
Carrying amount as at 1 January	96.8	30.6	127.4	83.1	24.5	107.6
CASH FLOWS:						
Payments for the principal portion of the lease liability	-	(26.2)	(26.2)	-	(20.5)	(20.5)
Payments for the interest portion of the lease liability	-	(10.1)	(10.1)	-	(7.4)	(7.4)
NON-CASH FLOWS:						
New lease liabilities recognised in the year	65.5	-	65.5	38.5	-	38.5
Interest expense on lease liabilities	11.1	-	11.1	7.8	-	7.8
Reclassified	(41.8)	41.8	-	(33.5)	33.5	-
Currency exchange differences	0.9	0.9	1.8	0.9	0.5	1.4
CARRYING AMOUNT AS AT 31 DECEMBER	132.6	37.0	169.6	96.8	30.6	127.4

Rental costs for exemptions

<i>NOK million</i>	2023	2022
Expenses relating to short-term leases	145.0	90.9
Expenses relating to low value items	6.9	6.6

Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Most extension options have not been included in the lease liability, because the Group could replace the asset without significant cost of business disruption, or because the Group is not certain it would need the asset in the option period.

As at 31 December 2023, potential future cash outflows of NOK 200 million (not discounted) have not been included in the lease liability because it is not reasonable certain that these leases will be extended (or not terminated).

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NOTE 18 Post-employment benefits

The Group has occupational pension plans in several countries. The pension plans are measured and presented according to IAS 19.

Accounting policy defined contribution plans

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit pension plans

The Group has funded defined benefit pension schemes in four Norwegian companies covering a total of 24 active members and 21 pensioners as at 31 December 2023 (28 active members and 18 pensioners as at 31 December 2022). The scheme entitles employees to defined future benefits. These are mainly dependent on the number of years of service, the salary level at pensionable age and the size of benefits paid by the national insurance. The liabilities are covered through an insurance company.

Mortality index used in actuarial calculations is K2013.

In addition to the pension obligations that arises from the funded defined benefit plans, the Group's Norwegian companies have unfunded defined benefit obligations related to pensions and early retirement pensions. The early retirement pensions entitle staff to benefits (about NOK 120,000 a year) from the company from the age of 62 until they are eligible for a national insurance pension when reaching the age of 67, if they retire and meet requirement to receive CPA (see below).

The Group has contractual pension agreement (CPA) schemes in Norway established in multi-employer plans. These multi-employer plans are defined benefit plans, but the Group does not have access to the necessary information for the

accounting years 2023 and 2022 required to account for these plans as defined benefit plans, and the plans are therefore accounted for as defined contribution plans.

A number of the Norwegian subsidiaries in the Group are required to have a civil service pension scheme according to the Norwegian Act relating to mandatory occupational pensions. These subsidiaries have pension schemes in accordance with the requirements in this Act.

Amounts recognised in Statement of Financial Position

NOK million	31.12.2023	31.12.2022
Present value of funded obligations	146.5	139.2
Fair value of plan assets	(123.6)	(116.9)
Deficit of funded plans	22.8	22.3
Present value of unfunded obligations	25.5	24.4
TOTAL DEFICIT OF DEFINED BENEFIT PENSION PLANS	48.3	46.7

Total pension expenses included in personnel expenses are decomposed as per below:

NOK million	2023	2022
Pension expenses (-net gain) from defined benefit scheme included in personnel expenses	8.2	8.4
Pension expenses from defined contribution schemes	98.2	78.5
Pension expenses from multi-employer plans accounted for as defined contribution schemes	28.0	18.0
TOTAL PENSION EXPENSES INCLUDED IN PERSONNEL EXPENSES	134.4	104.9

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Movements in the net defined benefit obligation

	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
<i>NOK million</i>	2023	2023	2023	2022	2022	2022
At 1 January	163.6	(116.9)	46.7	149.5	(102.7)	46.8
Current service cost	7.9	-	7.9	8.4	-	8.4
Loss on plan amendment, curtailment and settlement	-	-	-	-	-	-
Interest expense/ (income)	5.1	(3.6)	1.5	2.3	(1.3)	1.0
Total amount recognised in profit or loss	13.1	(3.6)	9.4	10.6	(1.3)	9.4
Re-measurements:						
(Gain) from change in discount rate	(12.3)	-	(12.3)	(44.4)	-	(44.4)
(Gain) / loss from change in other financial assumptions	11.2	(0.6)	10.6	33.2	(0.2)	33.0
Experience (gain)/loss	6.7	5.4	12.1	20.6	(8.1)	12.5
Investment management cost	-	1.0	1.0	-	0.8	0.8
Total amount recognised in other comprehensive income	5.6	5.8	11.4	9.4	(7.5)	1.9
Contributions:						
Employers	(1.6)	(11.5)	(13.2)	(1.1)	(7.5)	(8.5)
Payments from plans:			-			
Benefit payments	(8.7)	2.7	(6.0)	(4.9)	2.1	(2.8)
AT 31 DECEMBER	171.9	(123.6)	48.3	163.6	(116.9)	46.7

Estimated premium payments to funded defined benefit obligations in 2024 amounts to about NOK 17 million.

The significant actuarial assumptions were as follows:

	31.12.2023	31.12.2022
Discount rate	3.70%	3.20%
Salary growth rate	3.75%	3.75%
Expected growth in G (base social security amount)	3.50%	3.50%
Pension growth rate	2.4%-3.5%	1.7%-3.5%

Refer to [Note 6 - Personnel expenses](#) for further information regarding personnel expenses.

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The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions are:

	Change in assumption by:	Impact on Present value of obligation:		Change in assumption by:	Impact on Present value of obligation:	
		31.12.2023	31.12.2022		31.12.2023	31.12.2022
Discount rate	+0.5%	(10.7)	(10.5)	-0.5%	11.8	11.6
Salary growth rate	+0.5%	3.9	4.2	-0.5%	(3.9)	(4.3)
Pension growth rate	+0.5%	8.0	4.4	-0.5%	(7.4)	(10.0)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practise, this is unlikely to occur, and changes in some of the assumptions may be correlated.

The fair value of plan assets is disaggregated by class as follows

	31.12.2023	31.12.2022
Shares	13%	11%
Short term bonds	5%	15%
Money market	12%	8%
Long term bonds	50%	32%
Loans & Receivables	10%	22%
Real estate	11%	11%
Other	0%	1%

NOTE 19 Other liabilities

Other current liabilities specification

NOK million	Note	31.12.2023	31.12.2022
Contract liabilities	13	84.3	25.1
Social security and other taxes		162.4	129.4
Accrued salaries, holiday pay and employee bonus provisions		244.2	212.3
Other payables and financial liabilities		17.8	2.4
Other accrued expenses		86.9	95.5
TOTAL OTHER CURRENT LIABILITIES		595.6	464.6

Refer to [Note 27 - Contingencies](#) for further information about accounting policy for provisions and accruals, as well as significant judgement applied and estimation uncertainty.

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NOTE 20 Financial risk management

Capital management and funding

The primary objective of the Group's capital management is to ensure that it maintains required capital ratios and liquidity available to support the Business Areas. Capital management should be such that the capital structure is sufficiently robust to withstand

prolonged adverse conditions in significant risk factors, such as long-term down-cycles in our markets and unfavourable conditions in financial markets. Capital management also comprise securing the company to be in compliance with covenants on interest bearing debt. Reference is

made to [Note 16 - Interest-bearing borrowings](#) which disclose information about covenants on long term interest bearing liabilities.

The Group will manage the capital structure and make adjustments to it, to maintain an optimal

structure adapted to current economic conditions. In order to maintain or adjust the capital structure, the Group may adjust dividend payments, buy treasury shares, return capital to shareholders or issue new shares.

	31.12.2023	31.12.2022
Equity	1,076.6	778.8
Total assets	3,694.6	3,114.9
EQUITY RATIO	29%	25%
Cash and cash equivalents excl. restricted capital	587.7	497.4
Available drawing facilities	254.3	-
TOTAL AVAILABLE LIQUIDITY	842.0	497.4

Deposits / placements

The liquidity management has four main objectives:

- Matching of surplus funds against borrowing requirements.
- Secure a high level of liquidity (a targeted minimum of two months operating expenses) in order to meet future plans of the Group.
- Limitation of credit risks.
- Maximise return on liquid assets.

Accordingly, investments may only be made in securities with a rating of Investment grade, BAA (Moody's), BBB- (Standard and Poors and Fitch IBCA) or better.

A list of counter-party exposure limits is reported to the Board of Odfjell Drilling on a yearly basis.

The following instruments are allowed for short term placements;

- Deposits in banks
- Loans to companies/institutions/funds (like fixed or floating rate bonds, senior or subordinated debt)
- Certificates
- Money-market funds

Working Capital

The company's policy is to have a positive working capital.

Financial risk factors

The Group is exposed to a range of financial risks: liquidity risk, market risk (including currency risk, interest rate risk, and price risk), and credit risk.

The financial risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. To some extent, the Group uses derivative financial instruments to reduce certain risk exposures.

Risk management is carried out on a Group level. The Group identifies, evaluates and hedges financial risks in close co-operation with the Group's operational units. The board of Odfjell Technology Ltd. has established principles for risk management of foreign exchange risk, interest rate risk and use of derivative financial instruments.

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NOTE 21 Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of credit facilities and to have sufficient cash or cash equivalents at any time to be able to finance its operations and investments in accordance with the Group's strategic plan.

With regular forecasts and liquidity analysis updates, the Group will ensure sufficient available liquidity to fulfil its duties at loan maturity, without unacceptable loss or risk of damaging the Group's reputation.

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group

aims to maintain flexibility in funding by keeping committed credit lines available.

The Group's cash flow forecasting is performed by Group Finance. Group Finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs at all times, so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans and covenant compliance.

Surplus cash held by the operating entities over and above the balance required for working capital management is transferred to the Group Treasury. Group treasury invests surplus cash in interest bearing current accounts, time deposits,

money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.

The Group held cash and cash equivalents amounting to NOK 659 million in addition to available drawing facilities of NOK 254 million at the end of 2023. This is deemed to be sufficient funding for the Group's current activity levels and committed capital expenditures during 2024.

The liquidity risk is connected with the market risk and the re-contracting risk for the segments. The management continuously focuses on securing new profitable contracts to generate

sufficient cash flow from operations, hence reducing the liquidity risk going forward.

Operating in more than 20 jurisdictions the Group do from time to time receive enquiries from authorities about compliance related matters. Refer to [Note 27](#) regarding notice of decision received 1 October 2021 from HM Revenue and Customs. The Group has per 31 December 2023 not received any formal material assessment which is not disclosed in the financial statements.

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

Maturity of financial liabilities

The amounts disclosed in the table are the contractual non-discounted cash flows. The table include estimated interest payments for drawn facilities at the balance sheet date, based on the remaining period at the end of the reporting period to the contractual maturity date. The estimated interest payments include payments based on forward rates for the interest rate swaps.

<i>31.12.2023 - NOK million</i>	Less than 6 months	6 - 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount 31.12.2023
Interest-bearing borrowings	60.4	61.8	120.9	1,130.2	-	1,373.3	1,098.9
Lease liabilities	18.4	18.6	34.1	87.7	53.9	212.6	169.6
Trade payables	338.9	-	-	-	-	338.9	338.9
Other current payables	342.1	6.8	-	-	-	348.9	348.9

<i>31.12.2022 - NOK million</i>	Less than 6 months	6 - 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount 31.12.2022
Interest-bearing borrowings	306.6	56.1	112.1	1,238.6	-	1,713.4	1,340.0
Lease liabilities	15.4	15.2	30.0	59.2	30.6	150.4	127.4
Trade payables	264.1	-	-	-	-	264.1	264.1
Other current payables	305.8	4.3	-	-	-	310.1	310.1

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NOTE 22 Market risk

Market risk is the risk of a change in market prices and demand, as well as changes in currency exchange rates and interest levels.

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

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

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

There is an increased appetite for field development and production spending across the 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, but the increase in drilling activity and field investments is expected to increase demand for our services.

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.

Climate Risk

Following an assessment of climate risks and opportunities, both physical and transitional risks in the short, medium and long term, were prioritised.

The most significant transition risks identified, along with mitigating actions were:

- Increased resources, skills and tools required to measure, track and report on climate data, leading to increased costs. In house expertise being developed, gap analysis being conducted, and software tools evaluated.
- Impact on the ability to attract and retain talent, increasing costs. Training programmes to be reviewed and increase focus on communicating our sustainable activities.
- Changes in consumer behaviours reducing the demand for oil and gas and therefore revenue. To be addressed through diversification of our client portfolio and services to support the energy transition.
- Cost of and access to capital may go up as banks move to low carbon portfolios, leading to increased interest costs. Consider green funding resources for investments and diversify to low carbon portfolio.

The most significant physical risks identified, along with mitigating actions were:

- Impact of extreme weather offshore on crew and equipment logistics could increase costs and result in downtime. Critical spares analysis and robust planning required, as well as protection in commercial contracts.
- Heat, floods and tropical storms may increase in certain geographies we operate in, damaging infrastructure and increasing costs. Business continuity plans, remote working and reviews of locations required to address risk.
- Heat stress will impact employees and equipment working outside in certain locations. Health tracking and storage of equipment to be monitored.

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Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks, respectively.

Derivatives are recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured on a continuous basis at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as hedges of highly probable forecast transactions (cash-flow hedges). At the date of the hedging

transaction, the Group's documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.

- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

- The effective portion of the gain or loss on the cash flow hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the income statement. The cash flow hedge reserve is adjusted to the

lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

- Amounts recognised directly in other comprehensive income are reclassified as income or expense in the income statement in the period when the hedged liability or planned transaction will affect the income statement.

Derivatives are only used for economic hedging purposes and not as speculative investments.

Derivatives are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

The Group has the following derivative financial instruments in the following line items in the balance sheet:

<i>NOK million</i>	31.12.2023	31.12.2022
NON-CURRENT ASSETS		
Interest rate swaps - cash flow hedges under hedge accounting	11.7	10.8
Total non-current derivative financial instruments asset	11.7	10.8

The Group's hedging reserves disclosed in [Note 25 - Other reserves](#).

Cash flow hedging reserves

<i>NOK million</i>	Interest rate swaps	Total hedge reserves
Opening balance 1 January 2022	-	-
Change in fair value of hedging instruments recognised in OCI	11.3	11.3
Reclassified from OCI to profit or loss	(0.5)	(0.5)
CLOSING BALANCE 31 DECEMBER 2022	10.8	10.8
Change in fair value of hedging instruments recognised in OCI	(5.5)	(5.5)
Reclassified from OCI to profit or loss	6.4	6.4
CLOSING BALANCE 31 DECEMBER 2023	11.7	11.7

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Foreign exchange risk

The consolidated material subsidiaries' reporting and functional currencies are NOK, USD, GBP and EUR.

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with

respect to USD and NOK. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group is exposed to risks due to fluctuations in exchange rates as the customer contracts are denominated in multiple currencies

with cost mainly in local currency, while capital expenditure is in USD.

The Group seeks to minimise these risks through natural hedging by balancing the currency in and out flow and will use financial hedging instruments if required.

The foreign exchange contracts are only used for economic hedging purposes and not as speculative investments. However, these derivatives did not meet the hedge accounting criteria, and are accounted for at fair value through profit or loss.

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in NOK, was as follows:

Foreign exchange risk - Exposure - 31.12.2023

NOK million	USD	NOK	GBP
Cash and cash equivalents *	(239.9)	212.0	(30.6)
Trade receivables	92.6	13.7	3.1
Interest-bearing borrowings	-	-	-
Trade payables	(37.6)	(13.0)	(1.2)
Other current payables	(1.2)	(0.1)	(1.3)

Foreign exchange risk - Exposure - 31.12.2022

NOK million	USD	NOK	GBP
Cash and cash equivalents	132.3	-	-
Trade receivables	65.8	8.5	-
Interest-bearing borrowings	(244.1)	-	-
Trade payables	(23.8)	(5.7)	(1.2)
Other current payables	(2.6)	(10.6)	(3.8)

The aggregate net foreign exchange gains/losses recognised in profit or loss were:

NOK million	2023	2022
Net currency gain / (loss) included in finance costs	(1.0)	(31.8)

Sensitivity to changes in USD/NOK exchange rates

The Group's profit or loss is primarily exposed to changes in USD/NOK exchange rates.

The sensitivity shown in table below is calculated based on USD balances in companies with NOK as functional currency, and NOK balances in companies with USD as functional currency.

Sensitivity to changes in USD/NOK exchange rates	USD is strengthened by 20 % against NOK		USD is strengthened by 10 % against NOK		USD is weakened by 10 % against NOK		USD is weakened by 20 % against NOK	
NOK million	2023	2022	2023	2022	2023	2022	2023	2022
Cash and cash equivalents	(31.6)	3.4	(19.5)	1.7	19.5	(1.7)	38.9	(3.4)
Current receivables	12.1	1.3	6.0	0.6	(5.9)	(0.6)	(11.8)	(1.3)
Current liabilities	0.3	(48.8)	0.1	(24.4)	(0.1)	24.4	(0.3)	48.8
NET EFFECT ON PROFIT BEFORE TAX	(19.2)	(44.2)	(13.3)	(22.1)	13.4	22.1	26.9	44.2

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Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowing debt obligations at floating interest rates. The Group evaluates the share of interest rate hedging based on assessment of the Group's total interest rate risk and currently has a combination of fixed and floating interest rates in order to limit exposure. The Board of Directors is on regular basis considering the interest payment hedging of the external financing and mandate administration to execute necessary changes.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognising interest expense at a fixed interest rate for the hedged floating rate loans.

The Group had 2 interest rate swap agreements at 31 December 2023. Quoted mark-to-market values from financial institutions have been used to determine the fair value of the swap agreements at the end of the year. The instruments were documented as cash flow hedges and changes in fair value were recognised in other comprehensive income (cash flow hedging).

Including interest rate swaps entered into, the fixed-rate portion of the Group's interest bearing debt per 31 December 2023 is approximately 35%.

The swap contracts require settlement of net interest receivable or payable. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

Average interest rate at 31 December 2022 was about 10.9% including the effect of interest rate hedging.

Estimated fair value calculations from external financial institutions have been used to determine the fair value of the swap agreement at the end of the year.

The Group monitors its interest rate exposure on a dynamic basis. The Group calculates the impact on profit and loss of a defined interest rate shift.

The Group held the following interest rate swaps:

<i>NOK million</i>	Interest	Notional amount	Maturity date	Hedge ratio	Weighted average hedged rate	Carrying amount 31.12.2023	Carrying amount 31.12.2022
Cash flow hedges under hedge accounting	NOK Nibor	275.0	2026	1:1	2.0700%	9.3	9.0
Cash flow hedges under hedge accounting	NOK Nibor	110.0	2026	1:1	2.6140%	2.4	1.7

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the end of the reporting period are as follows:

<i>NOK million</i>	31.12.2023	% of total loans	31.12.2022	% of total loans
Variable rate borrowings - NOK NIBOR	715.0	65%	715.0	53%
Variable rate borrowings - USD SOFR	-	0%	246.4	18%
Fixed rate borrowings - repricing or maturity dates:				
Less than 1 year	-	0%	-	0%
1-5 years	385.0	35%	385.0	29%
Later than 5 years	-	0%	-	0%
TOTAL CONTRACTUAL AMOUNTS	1,100.0	100%	1,346.4	100%

The result of the calculation on sensitivities returns the following expected values (incl. interest rate swaps entered into as at 31 December):

If interest rate is increased by 1.0 %, the effect would be an increase in financing costs of NOK 7 million for the next 12 months as at 31 December 2023.

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NOTE 23 Credit risk

Accounting policy

The Group assesses, on a forward looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Further description

The Group operates in three core Business Areas: Well Services (OWS), Operations and Projects & Engineering. The market for the Group's services is the offshore oil and gas industry, and the customers consist primarily of major integrated oil companies, independent oil and gas producers and government owned oil companies. The Group performs ongoing credit evaluations of the customers and generally does not request material collateral.

With respect to credit risk arising from other financial assets of the Group, which comprise cash and cash equivalents, other receivables and certain derivatives instruments receivable amount, the Group's exposure to credit risk arises from default of the counter-party, with a maximum exposure equal to the carrying amount of these instruments. However, the Group believes this risk is limited as the counter-parties mainly have a high credit quality.

During 2023, the Group has continued its focus on credit risk in general related to the uncertain conditions in some geographical markets. The maximum exposure regarding trade receivables is the carrying amount of NOK 1,006 million.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to non-billed work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2023 or 31 December 2022 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Significant estimation uncertainty

Management exercises judgement in determining the impairment loss related to the trade receivables.

Included in the Trade receivables as at 31 December 2023 and 31 December 2022 the Group has an outstanding amount of EUR 4 million (NOK 45 million) towards customers in Iran. The Group's activities in Iran ceased prior to reinforcement of US sanctions early November 2018. No payments have been received after this date, due to no current efficient bank channels out of Iran. The Iranian customers are working on improving the liquidity situation and finding appropriate payment routes. The Group's Iranian customers have previously demonstrated that they prioritise supplier payments, and although delayed, they have historically paid their outstanding.

An impairment loss of EUR 0.7 million (NOK 7.5 million) have been accrued for related to these trade receivables as at 31 December 2022, an increase of EUR 0.2 million (NOK 2 million) from 31 December 2022.

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The ageing of the trade receivables - 31.12.2023

	Expected loss rate	Gross amount	Loss allowance	Net amount
<i>NOK million</i>		31.12.2023	31.12.2023	31.12.2023
Not due	0.0%	850.9	-	850.9
0 to 3 months	0.4%	89.4	(0.3)	89.0
3 to 6 months	14.6%	16.9	(2.5)	14.4
Over 6 months	22.7%	66.3	(15.0)	51.2
TOTAL		1,023.4	(17.8)	1,005.6

Contract assets - 2023

	Expected loss rate	Gross amount	Loss allowance	Net amount
<i>NOK million</i>		31.12.2023	31.12.2023	31.12.2023
Not due	0.0%	-	-	-

The ageing of the trade receivables - 31.12.2022

	Expected loss rate	Gross amount	Loss allowance	Net amount
<i>NOK million</i>		31.12.2022	31.12.2022	31.12.2022
Not due	0.0%	781.9	-	781.9
0 to 3 months	0.0%	105.4	-	105.4
3 to 6 months	2.7%	9.6	(0.3)	9.3
Over 6 months	23.6%	60.2	(14.2)	46.0
TOTAL		957.0	(14.5)	942.6

Contract assets - 2022

	Expected loss rate	Gross amount	Loss allowance	Net amount
<i>NOK million</i>		31.12.2022	31.12.2022	31.12.2022
Not due	0.0%	0.9	-	0.9

Movements in loss allowance / the provision for impairment of trade receivables and contract assets are as follows:

	Trade receivables		Contract assets	
<i>NOK million</i>	2023	2022	2023	2022
Loss allowance as at 1 January	14.5	12.4	-	-
Utilised	(1.8)	(2.6)	-	-
Released provision	(0.6)	(0.0)	-	-
New provisions	5.4	3.6	-	-
Translation differences	0.4	1.1	-	-
LOSS ALLOWANCE AS AT 31 DECEMBER	17.8	14.5	-	-

<i>NOK million</i>	2023	2022
Net gain (loss) related to trade receivables	(4.8)	(3.7)

The impairment losses recognised are related to receivables arising from the Group's contracts with customers.

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NOTE 24 Share capital and shareholder information

	No. of shares	Nominal value	Share capital - USD thousands
Common shares issued as at 31 December 2023	39,463,867	USD 0.01	394.6

Authorised, not issued shares was 5,536,133 as at 31 December 2023. All issued shares are fully paid. No shares are held by entities in the Group.

Largest common shareholders at 31 December 2023	Account type	Holding	% of shares
Odfjell Technology Holding Ltd.	Ordinary	23,825,396	60.37%
SPACE AS	Ordinary	1,025,262	2.60%
BNP Paribas	Nominee	727,213	1.84%
Avanza Bank AB	Nominee	599,589	1.52%
Citibank, N.A.	Nominee	587,712	1.49%
State Street Bank and Trust Comp	Nominee	545,897	1.38%
KONTRARI AS	Ordinary	500,000	1.27%
DNB BANK ASA	Nominee	428,077	1.08%
Goldman Sachs International	Nominee	425,376	1.08%
State Street Bank and Trust Comp	Nominee	393,221	1.00%
Goldman Sachs & Co. LLC	Nominee	333,443	0.84%
Nordnet Bank AB	Nominee	324,350	0.82%
NORDNET LIVSFORSIKRING AS	Ordinary	312,937	0.79%
TOLUMA NORDEN AS	Ordinary	303,244	0.77%
Pershing LLC	Nominee	269,423	0.68%
VERDIPAPIRFONDET DNB SMB	Ordinary	260,414	0.66%
SONGA CAPITAL AS	Ordinary	257,644	0.65%
AS CLIPPER	Ordinary	249,758	0.63%
SKANDINAVISKA ENSKILDA BANKEN AB	Ordinary	215,957	0.55%
KARSTEN ELLINGSEN AS	Ordinary	205,000	0.52%
Total 20 largest common shareholders		31,789,913	80.55%
Other common shareholders		7,673,954	19.45%
TOTAL COMMON SHAREHOLDERS		39,463,867	100.00%

Common shares

The Company has only one class of ordinary shares. Each common share in the Company carries one vote, and all common shares carry equal rights, including the right to participate in General Meetings. All shareholders are treated on an equal basis.

The Company's common shares are freely transferable in Norway, provided however, that the Bye-laws include a right for the Board to decline to register a transfer of any share in the register of members, (or if required, refuse to direct any registrar appointed by the Company to transfer any interest in a share) where such transfer would result in 50% or more of the Company's shares or votes being held, controlled or owned directly or indirectly by individuals or legal persons resident for tax purposes in Norway (or, alternatively, such shares or votes being effectively connected to a Norwegian business activity).

Cash dividend paid in 2023

11 May 2023, the Board of Directors approved a dividend distribution of 1.267 NOK per share, equal to approximately NOK 50 million. The dividend was paid 1 June 2023.

23 August 2023, the Board of Directors approved a dividend distribution of 0.633 NOK per share, equal to approximately NOK 25 million. The dividend was paid 14 September 2023.

2 November 2023, the Board of Directors approved a dividend distribution of 0.633 NOK per share, equal to approximately NOK 25 million. The dividend was paid 23 November 2023.

In total Odfjell Technology Ltd Group paid cash dividend of 1.899 NOK per share, equal to approximately NOK 100 million.

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NOTE 25 Other reserves

<i>NOK million</i>	Note	Cash flow hedges	Translation differences	Share-Option plan	Total
At 1 January 2022		-	645.4	-	645.4
Change in fair value of hedging instruments recognised in OCI	22	11.3	-	-	11.3
Reclassified from OCI to profit or loss	22	(0.5)	-	-	(0.5)
Currency translation difference		-	140.6	-	140.6
Cost of share-based option plan	33	-	-	2.8	2.8
AT 31 DECEMBER 2022		10.8	786.0	2.8	799.7
Change in fair value of hedging instruments recognised in OCI	22	(5.5)	-	-	(5.5)
Reclassified from OCI to profit or loss	22	6.4	-	-	6.4
Deferred tax related to hedging instruments	8	(2.9)	-	-	(2.9)
Currency translation difference		-	58.4	-	58.4
Cost of share-based option plan	33	-	-	6.0	6.0
AT 31 DECEMBER 2023		8.8	844.4	8.9	862.1

NOTE 26 Securities and mortgages

Liabilities secured by mortgage

<i>NOK million</i>	31.12.2023	31.12.2022
Non current liabilities - contractual amounts	1,100.0	1,100.0
Current liabilities	12.9	259.6
TOTAL	1,112.9	1,359.6

Carrying amount of mortgaged assets:

<i>NOK million</i>	31.12.2023	31.12.2022
Property, plant and equipment	1,040.9	1,068.4
Spare parts	45.9	29.3
Receivables and contract assets	1,155.6	1,059.0
Bank deposits	658.8	560.1
TOTAL	2,901.2	2,716.9

Odfjell Technology Ltd – NOK 1,100 million bond loan and USD 25 million Senior Secured Rolling Credit Facility

As security for the loans, substantially all of the assets of Odfjell Technology Ltd., and its subsidiaries have been pledged in favour of the lenders.

Subsidiaries Odfjell Technology Invest Ltd, Odfjell Platform Drilling AS and Odfjell Technology AS. have guaranteed as and for its own debt the due and punctual observance and performance of the obligors' obligations under the finance documents.

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NOTE 27 Contingencies

Accounting policy - Provisions, contingent liabilities and contingent assets

A provision is recognised when an obligation exists (legal or constructive) as a result of a past event, it is probable that an economic settlement will be required as a consequence of the obligation, and a reliable estimate can be made of the amount of the obligation.

The best estimate of the expenditure required to settle the obligation is recognised as a provision. When the effect is material, the provision is discounted using a market based pre-tax discount rate.

A provision for restructuring costs is recognised when a constructive obligation arises. Such an obligation is assumed to have arisen when the

restructuring plan is approved and the implementation of the plan has begun, or its main features are announced to those affected by it.

Contingent liabilities and contingent assets are not recognised. Contingent liabilities are disclosed unless the possibility of an economic settlement as a consequence of the obligation is remote. Contingent assets are disclosed where an economic settlement as a consequence of the asset is probable.

Significant judgement exercised

The Group may from time to time be subject to various legal proceedings, disputes and claims including regulatory discussions related to the Group's business, investments etc., of which the outcomes are subject to significant uncertainty. Management applies significant judgement

when evaluating the degree of probability of an unfavourable outcome and the ability to make a reasonable estimate of the amount of loss. Unanticipated events or changes in these factors may require the Group to accrue for a matter that has not been previously accrued for because it was not considered probable, or a reasonable estimate could not be made, or increase or decrease an amount accrued for a matter in previous reporting periods.

A Group subsidiary is subject to challenges by HM Revenue and Customs ("HMRC") on the historical application of National Insurance Contributions ("NICs") to workers in the UK Continental Shelf. 1 October 2021, a decision was issued by HMRC against Odfjell Technology (UK) Ltd "OT UK" (Previously Odfjell Drilling (UK) Ltd) in respect of the historic application of NICs. OT UK has appealed against the decision and no

payment has been made to HMRC pending the outcome of the first level appeal. This appeal has now been listed to take place towards the end of 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 OT UK in relation to NICs and interest should it be unsuccessful in defending its position is approximately NOK 327 million.

Refer to [Note 8 Income Taxes](#) for information about the Odfjell Offshore Ltd tax case.

There are no other material contingencies to be disclosed as at 31 December 2023.

NOTE 28 Commitments

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

NOK million	31.12.2023	31.12.2022
Well Service equipment	146.5	88.3
TOTAL	146.5	88.3

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NOTE 29 Subsidiaries

Name of entity	Country of incorporation	Principal place of business	Functional currency	Ownership 2023	Ownership 2022	Principal activities
Odfjell Technology Invest Ltd.	Bermuda	United Arab Emirates	USD	100	100	Holding company / Well services equipment owner
Odfjell Well Services II Ltd.	Bermuda	Kurdistan	USD	100	100	Well services
Odfjell Services (Thailand) FLC	Thailand	Thailand	THB	100	100	Well services
Odfjell Well Services Cooperatief U.A.	Netherlands	Europe	EUR	100	100	Well services
Odfjell Well Services SRL	Romania	Europe	RON	100	100	Well services
Odfjell Arabia Drilling Services LLC	Saudi Arabia	Saudi Arabia	USD	100	100	Well services
Odfjell Well Service (UK) Ltd.	Scotland	UK	GBP	100	100	Well services
Odfjell Well Services Norway AS	Norway	Norway	NOK	100	100	Well services
Odfjell Well Services AS	Norway	Norway	NOK	100	100	Well services
Odfjell Energy (Malaysia) SDN BHD	Malaysia	Malaysia	MYR	100	100	Well services
Odfjell Well Services (Malaysia) SDN BHD	Malaysia	Malaysia	MYR	100	100	Well services
Odfjell Well Services (Namibia) (Pty) Ltd	Namibia	Namibia	USD	100	n/a	Well services
Odfjell Well Services Ltd.	British Virgin Islands	United Arab Emirates	USD	100	100	Well services
Odfjell Platform Drilling AS	Norway	Norway	NOK	100	100	Holding company / Operations, Projects & Engineering
Odfjell Operations AS	Norway	Norway	NOK	100	100	Operations
Odfjell Technology (UK) Ltd.	Scotland	UK	GBP	100	100	Operations
Odfjell Offshore Ltd.	Bermuda	Norway	NOK	100	100	Operations
Odfjell Engineering AS	Norway	Norway	NOK	100	100	Projects & Engineering
Odfjell Energy Crewing AS	Norway	Norway	NOK	100	100	Offshore crewing rig inspection and installation services
Odfjell Technology AS	Norway	Norway	NOK	100	100	Group Business Services
Odfjell Drilling Philippines Corporation	Philippines	Philippines	PHP	100	100	Group Business Services

The Group's principal subsidiaries are set out in table above. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group.

Other subsidiaries included in the consolidated Group financial statements:

Name of entity	Country of incorporation	Principal place of business	Functional currency	Ownership 2023	Ownership 2022	Principal activities
Odfjell Well Services Ltda	Brazil	Brazil	BRL	100	100	No activity
Odfjell Drilling Brasil Ltda.	Brazil	Brazil	BRL	100	100	No activity
Odfjell Gestao de Perfurancoes do Brasil Ltda.	Brazil	Brazil	BRL	100	100	No activity

Consolidated Group Financial Statements

NOTE 30 Investments in joint ventures and associates

Accounting policy

Joint ventures are accounted for using the equity method. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

Joint ventures

Company	Acquisition/ formation date	Registered office	Principal place of business	Voting and owning interest 31.12.2023	Voting and owning interest 31.12.2022
Odfjell Oceanwind AS	2020	Oslo, Norway	Bergen, Norway	21.2%	21.1%

NOK million	2023	2022
Book value as at 1.1.	50.0	4.3
Share of profit after tax	5.1	(19.9)
Capital contributions *	55.5	30.0
Mandatory convertible loan *	(35.6)	35.6
BOOK VALUE AS AT 31.12	75.0	50.0

* In July 2023 the Group made an additional payment of NOK 18 million to the mandatory convertible loan.

** In October 2023 the total loan balance of NOK 53.4 million plus accumulated interest of NOK 2.1 million was converted into shares.

NOK million	2023	2022
The company's share of equity	61.7	1.0
Goodwill	13.4	13.4
Mandatory convertible loan	-	35.6
Eliminations	(0.1)	-
BOOK VALUE AS AT 31.12	75.0	50.0

Odfjell Oceanwind AS does not have observable market values in form of market price or similar.

Description of the business in Odfjell Oceanwind

Odfjell Oceanwind is a provider of designs, technologies and solutions for floating offshore wind projects, develops projects based on these products and provides services to own and third party owned projects.

The table below shows the condensed consolidated financial information of Odfjell Oceanwind Group, based on 100%

NOK million	2023	2022
Total revenue	121.0	16.7
Other gains and losses	8.3	-
Total operating expenses	(96.9)	(124.7)
Share of profit or loss from joint ventures	(22.1)	-
Net financial items	(0.1)	(0.3)
Net profit/(loss)	10.3	(108.3)
Current assets	258.8	70.4
-whereof cash and cash equivalents	248.1	65.5
Non-current assets	69.8	-
Current liabilities	37.8	65.7
-whereof current financial liabilities	-	-
Non-current liabilities	-	-
Equity	290.8	4.7

Consolidated Group Financial Statements

NOTE 31 Related parties – transactions, receivables, liabilities and commitments

The Group had the following material transactions with related parties:

NOK million	Relation	2023	2022
Odfjell Oceanwind AS	Joint-venture	31.9	30.5
Companies within the Odfjell Drilling Ltd. Group	Related to main shareholder	798.8	816.7
TOTAL SALES OF SERVICES TO RELATED PARTIES		830.6	847.2

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

NOK million	2023	2022
Well Services	391.7	374.7
Operations	57.5	148.8
Projects & Engineering	128.2	133.2
Corporate / GBS	253.2	190.5
TOTAL OPERATING REVENUE TO RELATED PARTIES	830.6	847.2

NOK million	Relation	2023	2022
Odfjell Oceanwind AS	Joint-venture	1.5	-
Companies within the Odfjell Drilling Ltd. Group	Related to main shareholder	21.3	35.0
TOTAL OPERATING EXPENSES TO RELATED PARTIES		22.8	35.0

NOK million	Relation	2023	2022
Odfjell Drilling Ltd.	Related to main shareholder	-	0.8
Odfjell Oceanwind AS	Joint-venture	1.9	0.2
TOTAL INTEREST INCOME FROM RELATED PARTIES		1.9	1.0

The Group had the following receivables and liabilities to related parties

NOK million	Related party	Relation	31.12.2023	31.12.2022
Trade receivables	Companies in Odfjell Drilling Ltd Group	Related to main shareholder	84.2	119.2
Other current receivables	Companies in Odfjell Drilling Ltd Group	Related to main shareholder	21.6	9.4
Trade payables	Companies in Odfjell Drilling Ltd Group	Related to main shareholder	(1.5)	(3.8)
Other current payables	Companies in Odfjell Drilling Ltd Group	Related to main shareholder	(0.8)	(5.8)
NET CURRENT PAYABLES RELATED PARTIES			103.6	119.1

Refer to [Note 8 Income taxes](#) for information about the non-current liability repayment to Odfjell Drilling Ltd.

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 as per 31 December 2022

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 December 2023.

Consolidated Group Financial Statements

NOTE 32 Remuneration to the Board of Directors, key executive management and auditor

Details of salary, variable pay and other benefits provided to Group management in 2023:

NOK thousands		Salary	Bonus	Other remuneration	Pension premium	Expense share-based payments	Total
Simen Lieungh	CEO - Odfjell Technology AS	6,344	5,000	288	127	2,668	14,426
Jone Torstensen	CFO - Odfjell Technology AS	3,076	2,400	238	140	889	6,743
Diane Stephen	General Manager - Odfjell Technology Ltd.	1,093	260	59	53	-	1,465
TOTAL		10,513	7,660	585	320	3,557	22,634

The amounts listed as Salary, Bonus, and Other remuneration in the table above represent cash payments in 2023. Refer to the Executive Remuneration Report for bonuses earned in 2023.

Amounts listed as Pension premium and Expense share-based payments relates to the expense accounted for as personnel expenses in the respective year.

For details regarding incentive share option programme, refer to the Executive Remuneration Report and Note 33 - Share-based payments

Details of salary, variable pay and other benefits provided to Group management in 2022:

NOK thousands		Salary	Bonus	Pension premium	Other remuneration	Expense share-based payments	Total
Simen Lieungh	CEO from 29 March 2022 - Odfjell Technology AS	4,018	-	99	175	1,367	5,659
Jone Torstensen	CFO from 29 March 2022 - Odfjell Technology AS	2,009	-	100	174	456	2,738
Diane Stephen	General Manager - Odfjell Technology Ltd.	689	119	36	40	-	883
TOTAL		6,715	119	235	389	1,822	9,280

Fees paid to Board of non-executive directors:

NOK thousands	2023	2022
Helene Odfjell	800	206
Susanne Munch Thore	475	122
Alasdair Shiach	425	109
Victor Vadaneaux	375	97
TOTAL REMUNERATION PAID TO BOARD OF NON-EXECUTIVE DIRECTORS	2,075	534

Fees to the Group's auditor

NOK thousands	2023	2022
Audit	2,546	1,794
Other assurance services	-	-
Tax advisory fee	-	-
Fees for other services	186	185
TOTAL REMUNERATION TO THE GROUP'S AUDITOR	2,732	1,978

All listed fees are net of VAT.

Consolidated Group Financial Statements

NOTE 33 Share-based payments

Accounting principle

The company have a long term equity settled incentive share option programme, in which the employee receives remuneration in the form of share-based payment for services rendered.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details below.

That cost is recognised in personnel expenses together with a corresponding increase in equity, over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

<i>Overview of outstanding options:</i>	2023	2022
Outstanding options 1.1	1,995,000	-
Options granted	-	1,995,000
Options forfeited	-	-
Options exercised	-	-
Options expired	-	-
OUTSTANDING OPTIONS 31.12	1,995,000	1,995,000
Of which exercisable	665,000	-

Details regarding share option programme:

27 June 2022, the Company implemented a long term incentive plan. A total of 1,995,000 options have been awarded to certain of its employees at strike prices ranging from NOK 22.31 to NOK 24.13 per share.

The options can only be exercised in three equal tranches, with vesting periods of one, two and three years. The options may be exercised during the subsequent year. Any options not exercised in the first two tranches can be rolled forward to the next tranches. Any options not exercised by the end of period (Q3 2025) will be terminated.

The fair value of the options has been calculated using Black & Scholes option-pricing model. The average fair value of the options granted in 2022 is NOK 9.07. The total cost of the share option plan is calculated based on the fair value 1,995,000 options granted. The total cost equals approximately NOK 18 million and is recognised over the period until August 2025.

The calculations are based on the following assumptions:

- The share price on the grant dates were set to the stock exchange price on the grant dates (27 June 2022, 15 August 2022 and 1 September 2022).
- The strike price per options were a weighted average of NOK 22.75.
- The expected price volatility of the company's shares was set to 55% based on historical volatility adjusted for expected changes.
- The expiry date was set to 4 July 2025, 22 August 2025 and 8 September 2025.
- The expected dividend yield was set to 0%.
- The risk-free interest rate was set to 3.67%

Consolidated Group Financial Statements

NOTE 34 Earnings per share

Accounting policy

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

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

The calculation takes account of all the share options that are "in-the-money" and can be exercised. In the calculations, share options are assumed to have been converted/ exercised on the first date in the fiscal year. The dilution effect on share options is calculated as the difference between average fair value in an active market and exercise price and the sum of the not recognised cost portion of the options.

Further description

The Company has a share option plan for 1,995,000 common shares, see further description in [Note 33 - Share-based payments](#).

As shown in the tables below; the options affected the diluted number of shares in 2023.

<i>NOK million</i>	2023	2022
Profit/(loss) due to owners of the parent	344.2	253.0
Diluted profit/(loss) for the period due to the holders of common shares	344.2	253.0

	2023	2022 *
Weighted average number of common shares in issue	39,463,867	39,463,867
Effects of dilutive potential common shares:		
Share option plan	879,705	-
Diluted average number of shares outstanding	40,343,572	39,463,867

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

	2023	2022
BASIC EARNINGS PER SHARE (NOK)	8.722	6.410
DILUTED EARNINGS PER SHARE (NOK)	8.532	6.410

NOTE 35 Events after the reporting period

There have been no other events after the balance date with material effect for the financial statements ended 31 December 2023.

Parent Company Financial Statements



Parent Company Financial Statements

Income Statement

for the year ended 31 December

<i>NOK thousands</i>	<i>Note</i>	<i>2023</i>	<i>2022</i>
OPERATING REVENUES	3	2,748	934
Personnel expenses	4	(9,793)	(4,744)
Other operating expenses	5	(10,617)	(19,239)
Total operating expenses		(20,410)	(23,983)
OPERATING PROFIT / (LOSS) - EBIT		(17,662)	(23,049)
Share of profit (loss) from joint ventures	8	5,086	(19,042)
Interest income		10,817	1,451
Interest expenses	6	(144,154)	(101,111)
Dividends from subsidiaries		-	1,036,092
Impairment of investments in subsidiaries		-	(1,036,092)
Other financial items	6	(14,639)	(34,272)
Net financial items		(147,977)	(133,933)
PROFIT / (LOSS) BEFORE TAX		(160,552)	(176,023)
Income tax (expense) / income	17	-	-
PROFIT / (LOSS) FOR THE PERIOD		(160,552)	(176,023)
Of which attributable to common shareholders		(160,552)	(176,023)
Earnings per share (NOK)			
Basic earnings per share (NOK)	18	(4.068)	(4.460)
Diluted earnings per share (NOK)	18	(3.973)	(4.460)

Statement of Comprehensive Income

for the year ended 31 December

<i>NOK thousands</i>	<i>Note</i>	<i>2023</i>	<i>2022</i>
PROFIT / (LOSS) FOR THE PERIOD		(160,552)	(176,023)
OTHER COMPREHENSIVE INCOME:			
Items that will not be reclassified to profit or loss		-	-
Items that are or may be reclassified to profit or loss:			
Cash flow hedges	15	(1,999)	10,773
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		(1,999)	10,773
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(162,552)	(165,250)
Total comprehensive income for the period is attributable to:			
Common shareholders		(162,552)	(165,250)

The accompanying notes are an integral part of these financial statements.

Parent Company Financial Statements

Statement of Financial Position

<i>NOK thousands</i>	Note	31.12.2023	31.12.2022
ASSETS			
Investments in subsidiaries	7	2,196,887	2,190,860
Investments in joint ventures	8	94,305	69,314
Derivative financial instruments	9	11,698	10,773
TOTAL NON-CURRENT ASSETS		2,302,889	2,270,946
Trade receivables		3,148	934
Other current assets	10	2,966	3,136
Current receivables group cash pool overdrafts	3	334,577	218,455
Cash and cash equivalents	11	399,579	197,897
TOTAL CURRENT ASSETS		740,270	420,422
TOTAL ASSETS		3,043,159	2,691,368

The accompanying notes are an integral part of these financial statements.

<i>NOK thousands</i>	Note	31.12.2023	31.12.2022
EQUITY AND LIABILITIES			
Share capital	14	3,530	3,530
Other contributed capital		1,090,305	1,090,305
Other reserves	15	17,647	13,619
Retained earnings		(436,537)	(176,023)
TOTAL EQUITY		674,945	931,431
Non-current interest-bearing borrowings	12	1,088,640	1,084,238
Liability repayment to Odfjell Drilling Ltd.	16	307,163	-
Deferred tax liability	17	2,924	-
TOTAL NON-CURRENT LIABILITIES		1,398,728	1,084,238
Current interest-bearing liabilities	12	10,258	255,716
Current liabilities group cash pool deposits	3	948,339	415,966
Trade payables		1,208	1,429
Other current liabilities	10	9,683	2,588
TOTAL CURRENT LIABILITIES		969,487	675,699
TOTAL LIABILITIES		2,368,215	1,759,937
TOTAL EQUITY AND LIABILITIES		3,043,159	2,691,368

The Board of Odfjell Technology Ltd.

17 April 2024, London, United Kingdom

Helene Odfjell
Chair

Susanne Munch Thore
Director

Alasdair Schiach
Director

Victor Vadaneaux
Director

Diane Stephen
General Manager

Parent Company Financial Statements

Statement of Changes in Equity

<i>NOK thousands</i>	Note	Share capital	Other contributed capital	Other reserves	Retained earnings	Total equity
BALANCE AT 1 JANUARY 2022		88	-	-	-	88
Profit/(loss) for the period		-	-	-	(176,023)	(176,023)
Other comprehensive income for the period		-	-	10,773	-	10,773
Total comprehensive income for the period		-	-	10,773	(176,023)	(165,250)
Equity contribution from Odfjell Drilling Ltd.		3,442	1,090,305	-	-	1,093,746
Share-based option plan	15	-	-	2,847	-	2,847
Transactions with owners		3,442	1,090,305	2,847	-	1,096,593
BALANCE AT 31 DECEMBER 2022		3,530	1,090,305	13,619	(176,023)	931,431
Profit/(loss) for the period		-	-	-	(160,552)	(160,552)
Other comprehensive income for the period		-	-	(1,999)	-	(1,999)
Total comprehensive income for the period		-	-	(1,999)	(160,552)	(162,552)
Dividends paid to shareholders	14	-	-	-	(99,962)	(99,962)
Share-based option plan	15	-	-	6,027	-	6,027
Transactions with owners		-	-	6,027	(99,962)	(93,935)
BALANCE AT 31 DECEMBER 2023		3,530	1,090,305	17,647	(436,537)	674,945

The accompanying notes are an integral part of these financial statements.

Parent Company Financial Statements

Statement of Cash Flow

for the year ended 31 December

<i>NOK thousands</i>	Note	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit/(loss) before tax		(160,552)	(176,023)
Adjustments for:			
Share of profit (loss) from joint ventures	8	(5,086)	19,042
Net interest expense / (income)		133,337	99,661
Income from subsidiaries		-	(1,036,092)
Impairment of investments in subsidiaries		-	1,036,092
Net currency loss / (gain) not related to operating activities		9,645	30,709
Changes in working capital:			
Trade receivables		(2,214)	(934)
Trade payables		(221)	1,429
Other accruals and current receivables /payables		7,418	(554)
Cash generated from operations		(17,673)	(26,671)
Net interest received / (paid)		(130,030)	(82,123)
NET CASH FLOW FROM OPERATING ACTIVITIES		(147,704)	(108,794)

<i>NOK thousands</i>	Note	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash used in obtaining control of subsidiaries		-	(2,312,575)
Cash payments to acquire interests in joint-ventures	8	-	(14,994)
Mandatory convertible loan to joint venture	8	(17,989)	(35,403)
Dividend received from subsidiaries		-	1,036,092
Proceeds from sale of shares		-	99,800
Funds received from Odfjell Drilling Ltd regarding indemnity letter	16	307,163	-
Net cash flow current group cash pool deposits and overdrafts		416,251	197,511
NET CASH FLOW FROM INVESTING ACTIVITIES		705,425	(1,029,568)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from external borrowings	12	-	1,295,548
Repayment of borrowings	12	(268,920)	-
Net proceeds from capital increases		-	44,729
Dividends paid	14	(99,962)	-
NET CASH FROM FINANCING ACTIVITIES		(368,882)	1,340,277
Exchange gains/(losses) on cash and cash equivalents		12,843	(4,019)
NET CHANGE IN CASH AND CASH EQUIVALENTS		201,682	197,896
Cash and cash equivalents at 01.01		197,896	-
CASH AND CASH EQUIVALENTS AT 31.12		399,579	197,896

The accompanying notes are an integral part of these financial statements.

Parent Company Financial Statements

Notes to the Parent Company Financial Statements

All amounts are in NOK thousands unless otherwise stated

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Parent Company Financial Statements

NOTE 1 Accounting policies

The principal activities of the Company is owning its shares in subsidiaries, as well as providing management services.

Odfjell Technology Ltd was founded in December 2021, and these are the first-time financial statements prepared for the Company.

The financial statements for Odfjell Technology Ltd., have been prepared and presented in accordance with IFRS® Accounting Standards as endorsed by EU, and are based on the same accounting policies as the Consolidated Group Financial Statements with the following exceptions:

Investments in subsidiaries

Investments in subsidiaries are based on the cost method. Refer to [Note 7 - Investments in subsidiaries](#)

Dividends

Dividends and Group contribution from subsidiaries are recognised in profit or loss in the parent company financial statements when the Company's right to receive the dividend is established.

For further information, reference is made to the consolidated Group financial statements

NOTE 2 Critical accounting estimates and judgements

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 Company 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 Company's control. The resulting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Detailed information regarding significant judgements is disclosed in the following notes.

- [Note 16](#) Liability repayment to Odfjell Drilling Ltd
- [Note 7](#) Evaluation of indicators of impairment of investment in subsidiaries

Going concern

Refer to Consolidated Financial Statements [Note 3 - Critical accounting estimates](#) and judgements.

Taking all relevant risk factors and available options for financing into consideration, the Board has a reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future.

Parent Company Financial Statements

NOTE 3 Related parties – transactions, receivables and liabilities

Revenue from related parties

Type of transaction	Related party	Relation	2023	2022
Management services	Odfjell Drilling Ltd	Related to main shareholder	2,748	934
Dividends	Odfjell Offshore Ltd.	Subsidiary	-	1,036,092
Interest income	Companies in Odfjell Technology Group	Subsidiary	3,422	-
Interest income	Odfjell Oceanwind AS	Joint Venture	1,938	184
TOTAL			8,108	1,037,211

Related parties expenses

Type of transaction	Related party	Relation	2023	2022
Service fee	Odfjell Technology AS	Subsidiary	1,100	1,100
Facility services	Odfjell Technology (UK) Ltd	Subsidiary	1,957	-
Guarantee commissions	Companies in Odfjell Technology Group	Subsidiary	6,670	5,775
TOTAL			9,726	6,875

Other current receivables and liabilities - related parties

NOK thousands			2023	2023	2022	2022
Type of transaction	Related party	Relation	Receivables	Liabilities	Receivables	Liabilities
Trade and other receivables	Odfjell Drilling Ltd	Related to main shareholder	5,252	(652)	934	(1,226)
Trade	Odfjell Technology AS	Subsidiary	-	-	-	(1,100)
Trade	Odfjell Drilling (UK) Ltd	Subsidiary	-	(191)	-	-
Guarantee commissions	Group companies	Subsidiary	-	(6,670)	-	-
TOTAL CURRENT*			5,252	(7,512)	934	(2,326)

* The current receivables and liabilities have less than one year maturity.

Refer to [Note 16](#) for information about the non-current liability repayment to Odfjell Drilling Ltd.

Parent Company Financial Statements

Group Cash Pool

Odfjell Technology Ltd. is the Group account holder of the cash pool for the Odfjell Technology group as per 31.12.2022, hence the company is the owner of the bank deposits included in the cash pool. Odfjell Technology Ltd. and the Group companies included in the cash pool are jointly liable for the outstanding amount of bank deposits in the cash pool.

Listing in [Note 11 - Cash and Cash equivalents](#) shows balance on the top accounts in each currency, representing Odfjell Technology Ltd.'s net balance towards the bank, DNB.

Each subsidiary's net loan or deposit is presented as current receivable Group cash pool loans or current liabilities Group cash pool deposits, on separate lines in the Statement of Financial Position.

To facilitate optimal interest calculations on the Group's net balance towards DNB, the company uses an overnight sweep account to net bank balances in subsidiary Odfjell Technology (UK) Ltd. Balances are transferred back to the UK company the next morning. Net liability related to the sweep account is classified as current liabilities Group cash pool deposits, and included in the listing below.

Specification of cash pool receivables:

NOK thousands	Relation	31.12.2023	31.12.2022
Odfjell Energy Crewing AS	Subsidiary	8,315	3,766
Odfjell Offshore Ltd.	Subsidiary	105,580	- 0
Odfjell Platform Drilling AS	Subsidiary	7,618	84,038
Odfjell Technology AS	Subsidiary	62,303	50,187
Odfjell Well Services AS	Subsidiary	71,682	35,893
Odfjell Well Services Cooperatief UA.	Subsidiary	50,259	38,099
Odfjell Well Services Ltd	Subsidiary	28,820	6,472
TOTAL CURRENT RECEIVABLES GROUP CASH POOL OVERDRAFTS		334,577	218,455

Specification of cash pool payables

NOK thousands	Relation	31.12.2023	31.12.2022
Odfjell Engineering AS	Subsidiary	(88,517)	(55,978)
Odfjell Offshore Ltd.	Subsidiary	-	(21,986)
Odfjell Operations AS	Subsidiary	(109,096)	(148,564)
Odfjell Technology Invest Ltd.	Subsidiary	(366,441)	(120,297)
Odfjell Well Services II Ltd.	Subsidiary	(1,311)	(1,545)
Odfjell Well Services Norge AS	Subsidiary	(70,708)	(9,110)
Odfjell Technology (UK) Ltd.	Subsidiary	(312,267)	(58,485)
TOTAL CURRENT LIABILITIES GROUP CASH POOL DEPOSITS		(948,339)	(415,966)

NOTE 4 Personnel expenses

NOK thousands	2023	2022
Salaries	6,242	2,855
Payroll tax	793	231
Pension costs	456	77
Employee benefits	226	10
Board of directors fee	2,075	1,572
TOTAL PERSONNEL EXPENSES	9,793	4,744

The company had three employees at 31 December 2023 and (two at 31 December 2022.)

For details of salary, variable pay and other benefits provided to the General Manager and compensation to the Board of Directors, refer to [Note 32 - Remuneration to the Board of Directors](#), key executive management and Group auditor in the Group Financial Statements.

Refer to [Note 33 - Share-based payments](#) in the Group Financial Statements for information about the Share-option plan.

No loans or guarantees have been given to the members of the board of directors.

Parent Company Financial Statements

NOTE 5 Operating expenses

<i>NOK thousands</i>	Note	2023	2022
FEE TO THE AUDITOR (EXCLUDING VAT):			
Auditors fee		1,686	1,080
Other services from auditor		186	185
OTHER OPERATING EXPENSES:			
Service fee	3	1,100	1,100
Facility services	3	1,957	-
Fees legal and financial assistance		3,427	14,643
Travel expenses		25	134
Other expenses		2,236	2,097
TOTAL OPERATING EXPENSES		10,617	19,239

NOTE 6 Combined items, income statement

<i>NOK thousands</i>	2023	2022
Interest expense external borrowings	(138,510)	(96,606)
Amortised transaction costs borrowings	(5,642)	(4,505)
Other interest expenses	(1)	(1)
TOTAL INTEREST EXPENSES	(144,154)	(101,111)

<i>NOK thousands</i>	2023	2022
Guarantee commissions	3 (6,670)	(5,775)
Net currency gain / (loss)	(7,659)	(28,219)
Other financial expenses	(311)	(277)
TOTAL OTHER FINANCIAL ITEMS	(14,639)	(34,272)

NOTE 7 Investments in subsidiaries

Accounting policy

Investments in subsidiaries are valued at cost in the company accounts. The investment is valued as cost of acquiring shares, providing they are not impaired. An impairment loss is recognised for the amount by which the carrying amount of the subsidiary exceeds its recoverable amount. The recoverable amount is the higher of fair value less cost to sell and value in use. The recoverable amount of an investment in a subsidiary would normally be based on the present value of the subsidiary's future cash flow.

Listing of directly owned subsidiaries

<i>Company</i>	<i>Acquisition / formation date</i>	<i>Registered office</i>	<i>Place of business</i>	<i>Shares owned</i>	<i>Voting rights</i>	<i>Functional currency</i>	<i>Share capital in NOK thousand</i>	<i>Profit / (loss) 2023</i>	<i>Equity as at 31.12.2023</i>	<i>Book value as at 31.12.2023</i>
Odfjell Technology Invest Ltd.	2022 / 2003	Hamilton, Bermuda	Aberdeen, UK	100%	100%	USD	106	225,012	1,628,720	1,621,076
Odfjell Platform Drilling AS	2022 / 2017	Bergen, Norway	Bergen, Norway	100%	100%	NOK	1,337	25,308	206,387	565,675
Odfjell Technology AS	2022 / 2017	Bergen, Norway	Bergen, Norway	100%	100%	NOK	249	10,669	81,930	10,136
										2,196,887

Parent Company Financial Statements

Dividends received and impairment recognised in 2022

As part of the internal re-organisation in 2022, the subsidiary Odfjell Offshore Ltd distributed a dividend of USD 117 million, approximately NOK 1 billion to the Company. An impairment assessment was performed and an impairment of NOK 1 billion was recognised to align book value of the investment with the calculated value in use. The company had no operations and the only asset was a bank deposit. Discount rate was not relevant.

Subsequent of the dividend received and impairment posted, the shares in Odfjell Offshore Ltd was contributed to subsidiary Odfjell Platform Drilling AS

Impairment assessment

Investment in subsidiaries are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment exceed the recoverable amount.

Significant judgement exercised

Management exercises significant judgement in determining whether there are any indicators of impairment. No impairment of assets in the subsidiaries have been identified. No material off balance sheet liabilities have been identified in the subsidiaries, other than contingency listed in [Note 27 - Contingencies](#) in the consolidated financial statements and the tax issue described in [Note 8 - Income taxes](#) in the consolidated financial statements.

The Company has not identified any impairment indicators for the investments as at 31.12.2023

NOTE 8 Investment in joint ventures

NOK thousands	2023	2022
Book value as at 1.1.	69,314	-
Investment 1 March 2022	-	37,775
Share of profit after tax	5,086	(19,042)
Amortisation of excess value	-	-
Capital contributions **	55,492	14,994
Mandatory convertible loan *	(35,588)	35,588
BOOK VALUE AS AT 31.12	94,305	69,314

* In July 2023 the Group made an additional payment of NOK 18 million to the mandatory convertible loan.

** In October 2023 the total loan balance of NOK 53.4 million plus accumulated interest of NOK 2.1 million was converted into shares.

NOK thousands	2023	2022
The company's share of equity	61,564	985
Goodwill	32,741	32,741
Mandatory convertible loan	-	35,588
BOOK VALUE AS AT 31.12	94,305	69,314

Refer to [Note 30 - Investments in joint ventures](#) in the consolidated financial statements for information about the joint venture, including the mandatory convertible loan provided to the joint venture.

Due to different acquisition dates in the Company versus the consolidated Group, the book value of the investment in the Company is higher than the book value in the consolidated financial statements.

Parent Company Financial Statements

NOTE 9 Financial assets and liabilities

Financial instruments by category and level

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

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

The Company had the following financial instruments at each reporting period:

<i>NOK thousands</i>	Note	Level	31.12.2023	31.12.2022
Financial assets at fair value through profit or loss				
Derivatives designated as hedging instruments				
- Interest rate swaps - Other non-current assets	13	2	11,698	10,773
Other financial assets				
Trade receivables			3,148	934
Other current assets			2,169	736
Current receivables group cash pool overdrafts	3		334,577	218,455
Cash and cash equivalents	11		399,579	197,897
TOTAL ASSETS AS AT 31.12			751,170	428,794

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.

<i>NOK thousands</i>	Note	Level	31.12.2023	31.12.2022
Other financial liabilities				
Non-current interest-bearing borrowings	12		1,088,640	1,084,238
Current interest-bearing liabilities	12		10,258	255,716
Current liabilities group cash pool deposits	3		948,339	415,966
Trade payables			1,208	1,429
Other current liabilities			8,483	2,427
TOTAL LIABILITIES AS AT 31.12.			2,056,927	1,759,776

Fair value for instruments at amortised cost

The fair value of the financial assets and liabilities at amortised cost approximate their carrying amount.

Parent Company Financial Statements

NOTE 10 Other assets and liabilities

<i>NOK thousands</i>	31.12.2023	31.12.2022
VAT receivables	-	1,870
Prepayments	797	530
Other current receivables	2,169	736
TOTAL OTHER CURRENT ASSETS	2,966	3,136

<i>NOK thousands</i>	Note	31.12.2023	31.12.2022
Social security and other taxes		1,126	161
Accrued salaries, holiday pay, bonus provisions and Board of Director's fee		1,910	1,082
Other accrued expenses	3	6,646	1,345
TOTAL OTHER CURRENT LIABILITIES		9,683	2,588

NOTE 11 Cash and cash equivalents

<i>NOK thousands</i>	31.12.2023	31.12.2022
Current account NOK	194,429	18,565
Current account USD	59,011	33,741
Current account GBP	133,558	60,958
Current account EUR	6,936	5,774
Current account CAD	5,645	-
Time deposit USD	-	78,858
TOTAL CASH AND BANK DEPOSITS	399,579	197,897

None of the bank deposits are restricted.

NOTE 12 Interest-bearing borrowings

Refer to [Note 16 - Interest-bearing borrowings](#) in the Group Financial Statements.

Parent Company Financial Statements

NOTE 13 Financial Risk Management

Refer to [Note 20 - Financial risk management](#) in the Group Financial Statements.

Liquidity risk

The liquidity risk is low as a result of adequate long-term funding and available liquidity in subsidiaries.

The amounts disclosed in the table are the contractual non-discounted cash flows. The table include estimated interest payments for drawn facilities at the balance sheet date, based on the remaining period at the end of the reporting period to the contractual maturity date.

Maturity of financial liabilities - 31.12.2023

<i>NOK thousands</i>	Less than 6 months	6 - 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Interest-bearing borrowings	60,429	61,757	120,859	1,130,215	-	1,373,260	1,098,898
Current liabilities group cash pool deposits	948,339	-	-	-	-	948,339	948,339
Trade payables	1,208	-	-	-	-	1,208	1,208
Other current liabilities	8,483	1,038	-	-	-	9,520	8,483

Maturity of financial liabilities - 31.12.2022

<i>NOK thousands</i>	Less than 6 months	6 - 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Interest-bearing borrowings	306,622	56,050	112,100	1,238,602	-	1,713,375	1,339,955
Current liabilities group cash pool deposits	415,966	-	-	-	-	415,966	415,966
Trade payables	1,429	-	-	-	-	1,429	1,429
Other current liabilities	2,427	-	-	-	-	2,427	2,427

Parent Company Financial Statements

Foreign exchange risk

Foreign exchange risk - Exposure

The Company's exposure to foreign currency risk at the end of the reporting period, expressed in NOK, was as follows:

<i>NOK thousands</i>	USD	GBP	Other non-NOK currencies
Cash and cash equivalents	59,011	133,558	12,581
Trade receivables	-	3,148	-
Other current assets	-	2,169	-
Interest-bearing borrowings	-	-	-
Net liabilities group cash pool	(127,432)	(149,696)	(12,538)
Trade payables	-	(808)	-
Other current payables	-	(849)	-

Aggregated net foreign exchange gains/losses recognised in profit or loss:

<i>NOK thousands</i>	2023	2022
Net currency gain / (loss) included in finance costs	(7,659)	(28,219)

The net currency loss in 2022 is mainly related to the USD 25 million credit facility.

Foreign exchange risk - Sensitivity

As shown in the table above, net exposure in GBP is not material. The sensitivity table below therefore shows effects of changes in the USD vs NOK exchange rate.

<i>Sensitivity to changes in USD/NOK exchange rates</i>	USD is strengthened by 20 % against NOK		USD is strengthened by 10 % against NOK		USD is weakened by 10 % against NOK	
<i>NOK million</i>	2023	2022	2023	2022	2023	2022
Cash and cash equivalents	11,802	22,520	5,901	11,260	(5,901)	(11,260)
Interest-bearing borrowings	-	(49,287)	-	(24,643)	-	24,643
Net liabilities group cash pool	(25,486)	(6,483)	(12,743)	(3,241)	12,743	3,241
NET EFFECT ON PROFIT BEFORE TAX	(13,684)	(33,249)	(6,842)	(16,625)	6,842	16,625

Interest rate risk

Refer to [Note 22](#) in the consolidated financial statements.

Credit risk

The company is exposed to credit risk related to related party current and non-current receivables as listed in [Note 3 - Related parties - transactions, receivables and liabilities](#).

Following IFRS 9 Financial Instruments, the company assess expected credit losses at each reporting date. The credit risk for the receivables mentioned above has not increased significantly since initial recognition, and the company therefore measures the loss allowance to an amount equal to 12-months expected credit losses.

Due to the low estimated probability of default in the next 12-month period no loss provision is recognised.

Parent Company Financial Statements

NOTE 14 Share capital and shareholders

Refer to [Note 24 - Share capital and shareholder](#) information in the Group Financial Statements.

Information about dividend payments in 2023 of NOK 100 million can be found in the same note.

NOTE 15 Other reserves

<i>NOK thousands</i>	Note	Cash flow hedges	Share-Option plan	Total
AT 1 JANUARY 2023		-	-	-
Change in fair value of hedging instruments recognised in OCI		11,305	-	11,305
Reclassified from OCI to profit or loss		(532)	-	(532)
Cost of share-based option plan		-	2,847	2,847
AT 31 DECEMBER 2022		10,773	2,847	13,619
Change in fair value of hedging instruments recognised in OCI		(5,495)	-	(5,495)
Reclassified from OCI to profit or loss		6,420	-	6,420
Deferred tax related to hedging instruments	17	(2,924)	-	(2,924)
Currency translation difference		-	-	-
Cost of share-based option plan		-	6,027	6,027
AT 31 DECEMBER 2023		8,773	8,874	17,647

Refer to [Note 22](#) in the consolidated financial statements for information about the cash flow hedges.

Refer to [Note 33](#) in the consolidated financial statements for information about the share based option plan.

Parent Company Financial Statements

NOTE 16 Liability repayment to Odfjell Drilling Ltd.

As reported in [Note 8 - Income taxes](#) in the consolidated financial statements, Odfjell Offshore Ltd, a subsidiary of Odfjell Technology, 21 December 2022 received a tax ruling from the Norwegian Tax Authorities 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 will appeal the ruling, and the Company 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.

Odfjell Offshore Ltd made an upfront payment 1 February 2023 of NOK 307 million in taxes and interest for the financial years 2017 through to 2021. The amount was financed and refunded to Odfjell Technology Ltd from Odfjell Drilling Ltd., as it is covered by the letter of indemnity issued 1 March 2022 to Odfjell Technology Ltd. Odfjell Drilling Ltd will hold the Company indemnified in respect of any liability that may occur in relation to the ongoing Odfjell Offshore Ltd tax case for the financial years 2017 through to 2021. This includes financing of prepayments to the Norwegian Tax Authorities, and funds for legal proceedings.

Odfjell Technology Ltd has on 1 March 2022 issued a letter of financial support to Odfjell Offshore Ltd, declaring that if the Company is indemnified by Odfjell Drilling Ltd for the relevant tax liability, the Company will, if so requested and if needed, contribute relevant funds into Odfjell Offshore Ltd.

Significant judgement exercised

Management 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. Funds received of NOK 307 million from Odfjell Drilling Ltd regarding the indemnity letter is recognised as a non-current liability, because the company expect to have to repay the amount.

NOTE 17 Income taxes

Odfjell Technology Ltd. is registered in Bermuda.

There is no Bermuda income, corporation, or profit tax, withholding tax, capital gains, capital transfer tax, estate duty or inheritance tax payable by the company or its shareholders not ordinarily resident in Bermuda. The company is not subject to Bermuda stamp duty on the issue, transfer or redemption of its shares.

The company has received from the Minister of Finance of Bermuda under the Exempted Undertakings Tax Protection Act 1996 an assurance that, in the event of there being enacted in Bermuda any legislation imposing tax computed on profits or income, or computed on any capital assets, gain or appreciation or any tax in the nature of estate duty or inheritance tax, such tax shall not until 2035 be applicable to the company or to any of its operations, or to the shares, debentures or other obligations of the

company except insofar as such tax applies to persons ordinarily resident in Bermuda and holding such shares, debentures or other obligations of the company or any land leased or let to the company.

As an exempted company, the company is liable to pay an annual registration fee in Bermuda.

The company is tax resident in the United Kingdom. The company is as all United Kingdom

resident companies residents liable for UK corporate income taxes.

The company did not pay any taxes to the United Kingdom for the fiscal year 2022, and does not expect to pay any taxes to the United Kingdom for the fiscal year 2023. There are no material temporary differences to disclose, other than the one listed below.

Income tax reconciliation

NOK thousands	2023	2022
Profit / (loss) before tax	(160,552)	(176,023)
Tax calculated at domestic tax rate - 25% (19%)	40,138	33,444
Effect of non-taxable income and expenses	(25,929)	(21,474)
Effect of group relief	(14,209)	(11,970)
TOTAL INCOME TAX EXPENSE	-	-

Deferred tax liabilities - Specification and movements

NOK thousands	Cash flow hedges
Closing balance 31.12.2022	-
Income statement charge	-
Change in deferred tax on other comprehensive income	(2,924)
CLOSING BALANCE 31.12.2023	(2,924)

Parent Company Financial Statements

NOTE 18 Earnings per share

<i>NOK thousands</i>	2023	2022
Profit/(loss) for the period	(160,552)	(176,023)
Profit/(loss) for the period due to holders of common shares	(160,552)	(176,023)
Diluted profit/(loss) for the period due to the holders of common shares	(160,552)	(176,023)

Refer to [Note 34 - Earnings per share](#) in the Group Financial Statements for accounting policy and further description

	2023	2022
Weighted average number of common shares in issue	39,463,867	39,463,867
Effects of dilutive potential common shares:		
Share option plan	944,031	-
Diluted average number of shares outstanding	40,407,898	39,463,867

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

	2023	2022
Basic earnings per share	(4.068)	(4.46)
Diluted earnings per share	(3.973)	(4.46)

NOTE 19 Guarantees

Guarantees from the company in relation to subsidiaries' agreements

Odfjell Technology Ltd., has issued parent company guarantees regarding Odfjell Technology (UK) Ltd's platform drilling service contracts for Mariner with Equinor UK.

The company has also issued parent company guarantees regarding subsidiaries' platform drilling service and drilling equipment contracts with ConocoPhillips Skandinavia AS.

The company has also issued a parent company guarantee regarding a subsidiary's frame agreement with Aker BP for engineering services and maintenance for HVAC+R.

NOTE 20 Events after the reporting period

There have been no other events after the balance date with material effect for the financial statements ended 31 December 2023.

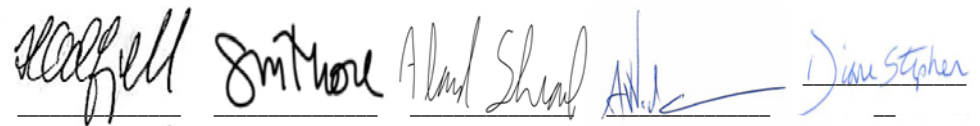
Responsibility Statement

We confirm, to the best of our knowledge, that the financial statements for the period 1 January to 31 December 2023 have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity and the Group taken as a whole.

We also confirm that the Board of Directors' Report includes a true and fair review of the development and performance of the business and the position of the entity and the Group, together with a description of the principal risks and uncertainties facing the entity and the Group.

The Board of Odfjell Technology Ltd.

17 April 2024, London, United Kingdom



Helene Odfjell
Chair

Susanne Munch
Thore
Director

Alasdair Schiach
Director

Victor Vadanueax
Director

Diane Stephen
General Manager

Auditors Report



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To the General Meeting of Odfjell Technology Ltd

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Odfjell Technology Ltd, which comprise:

- the financial statements of the parent company Odfjell Technology Ltd (the Company), which comprise the statement of financial position as at 31 December 2023, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including material accounting policy information, and
- the consolidated financial statements of Odfjell Technology Ltd and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2023, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical

Offices in:

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Stattdokumenterte revisorer - medlemmer av Den norske Revisorforening

Oslø	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Årstadal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ullensvik
Bodø	Karvik	Stord	Ålesund
Drammen	Kristiansand	Straume	

Auditors Report



responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit have been provided.

We have been the auditor of the Company for 3 years from the election by the general meeting of the shareholders on 11 January 2022 for the accounting year 2021.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

Reference is made to Note 3 Critical accounting estimates and judgements, Note 5 Revenue and the Board of Directors report section "Critical accounting estimates"

The Key Audit Matter	How the matter was addressed in our audit
<p>As of 31 December 2022, the Group recognized NOK 5,021 million in revenue. The Group has multiple revenue sources generated from three different operating segments.</p> <p>The Group generally recognise revenue over time because of the continuous transfer of control to the customer. Certain contracts contain milestone payments, lump sum projects, prepayments for maintenance services as well as variable or conditional service fee arrangements. Management's judgement is required to assess the key elements for determining revenue recognition in the contracts. Significant management judgment can be required in determining the appropriate measurement and timing of revenue recognition, particularly for variable consideration such as incentive bonuses.</p> <p>The high volume of transactions and varying contract elements give a higher inherent risk of material misstatement.</p>	<p>Our audit procedures in this area included:</p> <ul style="list-style-type: none"> Obtaining an understanding of the revenue recognition process Applying professional scepticism and critically assessing that the accounting judgments are in compliance with the relevant requirements for revenue recognition, including an assessment of the timing of revenue recognised in the period. Challenging management's assessment of the revenue recognition criteria in particular for variable consideration in the operations segment. Inspecting a selection of contracts with customers, to assess if the identified performance obligations and method for revenue recognition was appropriate. Performing cut-off procedures over a selection of both billed and unbilled amounts before and after the balance sheet date to ensure revenue is recognized in the correct period. Vouching a sample of recorded revenue to invoice, customer approval and cash receipt. Vouching revenue accruals to client confirmation of receipt of services provided. Evaluating the adequacy of the financial statement disclosures, including accounting policy for revenue recognition.



Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Director's report applies correspondingly to the statement on Corporate Governance.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of

Auditors Report



accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Odfjell Technology Ltd, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 529900ZYHGCPTAD1R169-2023-12-31, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.



Auditor's Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Bergen, 17 April 2024

KPMG AS

Ståle Christensen

State Authorised Public Accountant

(This document is signed electronically)

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. .

EBIT

Earnings before interest and taxes. Equal to Operating profit.

EBIT MARGIN

EBIT / Operating revenue

EBITDA

Earnings before depreciation, amortisation and impairment, interest and taxes.

EBITDA MARGIN

EBITDA / Operating revenue

EBITDA backlog vs NIBD

Estimated EBITDA for illustrative purposes based on revenue backlog and 2022 EBITDA margins (36%, 8% and 12% for Well Services, Drilling Operations and Engineering, respectively), excluding corporate overhead costs. This does not constitute an opinion of anticipated EBITDA and actual results may differ from the illustrative EBITDA backlog.

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 (LOSS) PROFIT

Equal to Profit (loss) for the period

EARNINGS PER SHARE

Net profit / number of outstanding shares

LEVERAGE RATIO (ADJ)

31.12.2023

Non-current interest-bearing borrowings	NOK	1,088.6	million
Current interest-bearing borrowings	NOK	10.3	million
Non-current lease liabilities	NOK	132.6	million
Current lease liabilities	NOK	37.0	million
Adjustment for operational lease contracts	NOK	(169.6)	million
A Adjusted financial indebtedness	NOK	1,098.9	MILLION
Cash and cash equivalents	NOK	658.8	million
Adjustment for restricted cash and other cash not readily available	NOK	(71.0)	million
B Adjusted cash and cash equivalents	NOK	587.7	MILLION
A-B=C Adjusted Net interest-bearing debt	NOK	511.2	MILLION
EBITDA last 12 months	NOK	840.1	million
Adjustment for operational lease contracts	NOK	(4.5)	million
Adjustment for transaction costs	NOK	-	million
D Adjusted EBITDA	NOK	835.6	MILLION
C/D=E LEVERAGE RATIO (ADJ)		0.61	

Appendices

Appendix: EU Taxonomy reporting

Turnover

Financial year 2023		Year		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm') (h)						Proportion of Taxonomy aligned (A.1.) or eligible (A.2.)			
Economic Activities (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate change: Mitigation (5)	Climate change: Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change: Mitigation (11)	Climate change: Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		NOK million	%	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY - ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%																
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Turnover of Taxonomy-eligible Activities (A.1 + A.2)		0	0%																
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy Non-eligible activities		5,021.4	100%																
Total		5,021.4	100%																

Proportion of turnover / Total turnover		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

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Capex

Financial year 2023		Year		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm') (h)						Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year N-1 (18)			
Economic Activities (1)	Code (a) (2)	CapEx (3)	Proportion of CapEx, year N (4)	Climate change: Mitigation (5)	Climate change: Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change: Mitigation (11)	Climate change: Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)		Category enabling activity (19)	Category transitional activity (20)
		NOK million	%	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY - ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Capex of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%																
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Capex of Taxonomy-eligible Activities (A.1 + A.2)		0	0%																
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy Non-eligible activities		304.3																	
Total		304.3																	

Proportion of CapEx / Total CapEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Appendices

Opex

Financial year 2023		Year		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm') (h)						Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year N-1 (18)			
Economic Activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, year N (4)	Climate change: Mitigation (5)	Climate change: Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change: Mitigation (11)	Climate change: Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)		Category enabling activity (19)	Category transitional activity (20)
		NOK million	%	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y ; N ; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY - ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Opex of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%																
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Opex of Taxonomy-eligible Activities (A.1 + A.2)		0	0%																
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Opex of Taxonomy Non-eligible activities		507.9	100%																
Total		507.9	100%																

Proportion of OpEx / Total OpEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Appendices

Appendix: Sustainability data

Performance evaluation: Health and safety

Type	2023
Percentage of people in its own workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines	100%
Number of fatalities in own workforce as result of work-related injuries and work-related ill health	0
Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites	0
Number of recordable work-related accidents for own workforce	8
Rate of recordable work-related accidents for own workforce	1,65*
Number of cases of recordable work-related ill health of employees	0
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees	68
Number of cases of recordable work-related ill health of non-employees	1
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to non-employees	3
Percentage of own workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines and which has been internally audited and (or) audited or certified by external party	100%
Number of fatalities in own workforce as result of work-related injuries	0
Number of fatalities in own workforce as result of work-related ill health	0
Number of fatalities as result of work-related injuries of other workers working on undertaking's sites	0
Number of fatalities as result of work-related ill health of other workers working on undertaking's sites	0
Number of cases of recordable work-related ill health detected among former own workforce	Not available
Description of underlying standards for internal audit or external certification of health and safety management system	The CMS document HSE management system manual is in accordance to ISO 45001

* based on 1,000,000 working hours

Appendices

Performance evaluation: Selected employee data

Measuring our impact

All data related to employees in our workforce (and to contractors) is extracted from the HR module in the Group's Enterprise Resource Planning ("ERP") system. The ERP system is used in all locations in the Group, and all registrations in the HR module follow the same templates and data requirements.

The global work environment survey documents our employees' experiences within areas of diversity and inclusion, including anti-harassment. While our scores are very good in these areas, we continue to keep focus on training and operational practices. In 2023 the Group ran extensive campaigns to train in Unconscious Bias as well as Mental Health awareness campaigns.

Our gender pay gap comparisons are available on our [website](#) each year and show equitable levels between men and women across our Group.

All employees are entitled to parental leaves, and the Group ensures adherence to legislation in our countries of operation.

Odfjell Technology does not register any data related to religion, sexual orientation, medical history or other sensitive information.

Employees by country¹

Country	2023
Norway	1,357
United Kingdom	529
Romania	55
United Arab Emirates	53
Philippines	156
Saudi Arabia	65
Other	183
Total	2,398

New employees by country¹

Country	Count of new employees
Norway	157
United Kingdom	101
Romania	11
United Arab Emirates	3
Philippines	51
Saudi Arabia	29
Other	50
Total	402

¹ Selected data for significant locations only. Significant locations means locations with more than 50 employees.

Employees by employment contract and gender

Employment contract	Gender	2023
Permanent	Female	343
	Male	1,964
Temporary	Female	23
	Male	68
Total		2,398

New employees by gender

Gender	2023
Female	75
Male	327
Total	402

Employment by employment type and gender

Type of employment contract	Gender	2023
Full time	Female	359
	Male	2,015
Part Time (1-99%)	Female	7
	Male	17
Total		2,398

New employees by age group

Age group	2023
18 - 20	17
20-29	109
30-39	124
40-49	107
50-59	38
60-69	7
70+	1
Total	402

Appendices

Turnover by country¹

Country	Turnover YTD %
Norway	3.3%
United Kingdom	9.5%
Romania	20.4%
United Arab Emirates	1.9%
Philippines	7.3%
Saudi Arabia	36.2%
Total	6.4%

¹ Selected data for significant locations only. Significant locations means locations with more than 50 employees.

Female representation by location

Location	2023
Offshore	1.2%
Onshore	34.7%

Employees by business segment

Business segment	2023
Corporate	23
Global Business Services	347
Operations	1,205
Projects & Engineering	220
Well Services	603
Total	2,398

Turnover by gender

Turnover by gender	Turnover YTD %
Female	7.9%
Male	6.1%
Total	6.4%

Turnover by location

Location	2023
Offshore	4.4%
Onshore	9.0%

Age distribution by location

Location	Indicator	2023
Onshore	Under 30	16.8%
	30-50	59.6%
	Over 50	23.6%
Offshore	Under 30	9.8%
	30-50	51.3%
	Over 50	38.9%

Turnover by age group

Turnover by age group	Turnover YTD %
18-20	5.4%
20-29	7.5%
30-39	10.0%
40-49	7.9%
50-59	2.6%
60-69	0.9%
70+	0.0%
Total	6.4%

Nationalities by location

Location	2023
Offshore	34
Onshore	43

Appendices

Performance evaluation: Selected governance data

<i>Governance¹</i>	2023
Compliance e-learning programme	
Compliance e-learning courses ²	82%
Annual COC confirmation ³	81%
Supplier performance evaluation	
Supplier audits completed	19
Supplier performance reviews completed	51
Registration of hospitality payment	
Hospitality provided (valued more than NOK 1,500 pr. recipient)	0
Hospitality received (valued more than NOK 1,500 pr. recipient)	9
Registered violations of Odfjell Technology Code of Conduct	0
Registered whistleblowing cases⁴	6
Data losses or breaches	0

¹ Governance figures are extracted from our internal governance system, where they are registered manually. Whistleblower reports are registered in our whistleblower system. Data losses and breaches are registered manually in Odfjell Technology's internal system and notified to the Norwegian Data Protection Authority.

² Compliance e-learning courses include conflicts of interest and anti-corruption challenge.

³ All employees are required to confirm that they have read, understood and complied with the COC annually.

⁴ All solved and closed, no critical concern. No reports were related to non-compliance with the COC. Also, no whistleblowing cases were required to be communicated to the highest governance body in 2023.

For more information visit
www.odfjelltechnology.com



Annual Report 2022

BUILT ON HERITAGE, INNOVATING FOR THE FUTURE



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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 2,100 employees operating in more than 30 countries worldwide.

KEY FIGURES 2022

NOK 3,885m

Revenue

1.2x

Leverage ratio (adj)

NOK 673m

EBITDA

NOK 560m

Cash and cash equivalents

NOK 11.0b

Revenue Backlog

2.2x

EBITDA backlog vs NIBD

CEO Letter



Simen Lieungh,
CEO Odfjell Technology AS

I am delighted to be writing this first CEO letter for Odfjell Technology, following the spin-off from Odfjell Drilling. Splitting the company is something that we had considered for some time, to better position the businesses to execute strategies for the future opportunities that lie ahead. With this recent undertaking, we have been able to unlock the full value of our Technology business and thus simplify its structure so that the market can more easily evaluate its worth, and we can develop shareholder value.

When we announced the spin-off at the beginning of the year, we set a deadline of the end of March to restructure the Group, raise a NOK 1.1 billion bond, secure a \$25 million revolving credit facility, and list the newly formed Odfjell Technology Ltd on the Oslo Stock Exchange. Nobody thought this was possible in this timescale. However, we delivered, and none of this would be possible without the hard work, determination, and competency of the people within our organisation.

With Odfjell Technology, we take with us 50 years of experience from our time as Odfjell Drilling, and going forward I will ensure that we work to maintain our unique Odfjell culture, driven by our core values. As a highly integrated drilling and well services Group, enabled by our engineering expertise, we deliver specialist services, technology, and competence across the global energy value chain. Our new Northern Lights branding, demonstrates the value of integrated services, showing the power that can be created when the right conditions exist to produce something greater than the sum of its parts.

As both a company, and as individuals, we have faced one global crisis after another. We finally started coming out of the pandemic, only to be presented with the tragic war between Russia and Ukraine. This has had an impact on countries seeking to secure energy supply. I have always stated that the key word for the move towards renewables is TRANSITION. There will be a continuing demand for oil and gas for some years to come, while we

make a responsible move toward new energy sources. We are well positioned to use our experience and expertise in this transition, either leading from the front with our investment in Odfjell Oceanwind to develop offshore mobile wind units, or by supporting clients with services such as our Combined Energy Management Screening.

Throughout the year we have also worked on human rights and climate risk assessments to ensure we have ESG embedded throughout our supply chain and in all our operational activities.

Even though this is just our first year, we have had many achievements - winning work with new clients, contract extensions, and developing and implementing new technology such as our Well Services Continuous Circulation System. In February 2022 we also made our first move into jack-up rig management, when we agreed with SFL Corporation Ltd to provide management services for the harsh environment jack-up drilling rig, Linus. To do this we had to qualify as a shipping company and obtain Acknowledgement of Compliance from the Petroleum Safety Authority. This was completed in just a few months with Odfjell Technology taking over rig management at the end of September, thanks to an impressive, combined effort across several of our disciplines.

It is however with great sadness that I must report one of our employees suffered a debilitating injury on the Linus in November. This incident is a serious reminder of the importance of HSE in our

workplace and valuable lessons were taken and shared. There is never any room for complacency with regard to safety, and we must work harder to make improvements every single day to avoid these events in the future.

In 2022, the world has seen heightened risks from cyber security. Our IT department has played an important role in protecting the Group and this is also an area where we must remain vigilant.

My belief is that key to delivering on our ambitions lies with our people, and it makes me incredibly proud to see what we have all achieved over the last year. This truly demonstrates our core values of being committed and result oriented. We again took on new apprentices, and I look forward to following them as they continue to grow and progress within the organisation.

These are very exciting times for Odfjell Technology, as we develop our strategy and continue to explore the role we want to play in the energy transition. We must continue to focus on our core services and grow our foothold in oil and gas. The cashflow generated from this can be used to focus on innovation and developing new services, technologies, and products required in the energy transition. We are well positioned to take advantage of these opportunities with our immense experience, competency, and expertise and I look forward to what the future will bring.

Strategic Report



Ambitions



Our ambition is to combine our 50 years of industry experience with the technology of tomorrow to develop solutions for the changing energy market. We deliver safe, efficient, and sustainable solutions, which reduce time, cost, and carbon emissions for our clients.

Of utmost importance is safe operations, with QHSE being central to everything we do. Our target is zero accidents and incidents, and we expect commitment to rigorous QHSE practices. Through a relentless pursuit of the best QHSE standards, we can safeguard health and environment, as well ensuring high quality deliveries for our clients.

Our corporate values define and instruct our business, forming the foundations of the Group. They allow us to grow, meet fresh challenges, develop technology, and work with people in a manner that supports our culture, objectives, and high organisational standards. By staying true to these values, we believe we can continue to meet requirements, overcome challenges, deliver on promises and surpass expectations.

The transition to greener energy is expected over the coming decades and the focus on the future mix of energy sources remains strong. However, the need for continued exploration and production of oil and gas in the meantime, is viewed as vital to bridge the energy gap, as new energy sources take time to implement. In 2022, we saw that the oil service market developed positively, with an increased number of active rigs and drilling operations globally.

Well Services operates in a competitive market, but the increase in drilling activity and field investments will increase demand for our services, and our strategy is to develop new product lines, technologies, and services, with decommissioning and plug and abandonment services being a target. In

Operations, activity is increasing due to growth in investments, modifications, and maintenance. Following the signing of a new jack-up management contract, this is another area of potential growth. Projects & Engineering is a core enabling service we are looking to grow with the engineering market improving both in existing deliverables and green initiatives. Our ambition is to expand through offering all these services as integrated solutions.

Odfjell Oceanwind, in which we hold an investment, edges closer to realising its ambition of providing mobile offshore wind power. In addition to wind, we are exploring other renewable opportunities.

Odfjell Technology's corporate management team has been assembled to provide the optimum combination of relevant skills, business acumen and industry experience to deliver our strategy. We target continuous improvement with lean processes and digitalisation, and our commitment to sustainability is based on high ethical standards, integrity, respect for people and care for the environment. Underpinning our strategy is flexible financing and strong backlog, which gives the business security.

With five decades of experience operating worldwide, serving both offshore and onshore markets, our integrated business model enables us to provide a comprehensive portfolio of products and services designed to create value for clients. The shift in energy focus creates new requirements, technology, exciting initiatives, and cross discipline creativity. The energy transition is one of today's greatest challenges and our vision is to use our heritage and expertise to support the industry as it transitions to new energy solutions. Our highly competent, dedicated, and experienced workforce are well equipped to find solutions to the challenges of today and tomorrow.

Our Business

Part ownership in
Odfjell Oceanwind
AS

Platform drilling,
maintenance and
inspection services

Engineering and
administration hubs
worldwide

Serving the onshore
sector as well as
offshore

Serving energy clients
globally

Global equipment
inventories and
operations bases

World class supplier of
well services equipment
and personnel

OPERATIONS

- Integrated world class supplier of well services across the globe
- At the forefront of the platform drilling sector with a large number of operations in the North Sea including the most sophisticated platform drilling installations both in Norway and in the UK
- Specialist engineering, projects and inspection competence for the drilling and maritime industry

Worldwide Experience



30 countries where
we provide services

15 offices and bases
around the world



COMPANY

- Following the spin-off from Odfjell Drilling, Odfjell Technology takes with it five decades of experience from worldwide drilling, engineering and well service operations
- Continued investment in the latest and best technological solutions
- Multiple revenue sources from complementary Business Areas
- Our main clients are public and state owned international and national oil companies within the oil gas sector



PEOPLE

- 2,172 employees
- Odfjell Technology is a people business where we search for, invest in, and retain people of the highest quality and competence. Our people are motivated and ambitious to deliver the best standards and services
- Highly specialised engineers supporting all Business Areas
- Highly specialised and competent offshore workforce
- Expansive management training on various levels



ETHICS & QUALITY

- Odfjell Technology is committed to follow the Code of Business Conduct and adhere to internationally recognised human rights which ensures that our operations, corporate governance, and employees adhere to the highest standards
- Our vision is to "use our heritage and expertise to support the energy transition"
- Odfjell Technology's vision is supported by our five core values: committed, safety conscious, creative, competent and result oriented
- The Group vision and core values are our foundation in making sure we employ the right people for the right job at the right time
- Odfjell Technology recognises the importance of diversity as an added value to all our business activities, and does not discriminate against employees on any grounds



SUPPLY CHAIN

- Global and fully integrated part of operations
- 6,000 suppliers on the Approved Vendor List (AVL)
- Centrally led standardised processes and policies
- Supplier qualification and quality systems
- Global logistics and inventory management



STRUCTURE

- Odfjell Technology Ltd is an exempted company incorporated in Bermuda, registration number 202100770 (the "Company"). It's registered address is Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda
- Odfjell Technology Ltd is tax resident in the UK and has its head office in Aberdeen, Scotland, UK.
- The Ordinary shares of Odfjell Technology Ltd are listed on the Oslo Stock Exchange
- Organised into three main business segments: Well Services, Operations and Projects & Engineering
- Operational Management are primarily located in Bergen, UK and Dubai



Well Services

“ 2022 presented us with two of the toughest challenges in recent times: a pandemic and a war. COVID-19 made it extremely difficult for us to expand into new geographical regions. Though the intensity of the pandemic reduced, there was no respite because of the Russia-Ukraine war. However, it makes me extremely proud to inform you that Well Services has bounced back strongly after the impact of COVID-19 and has achieved good financial performance in 2022. We have won several global contracts and initiated new start-up activities in Norway and MEAA. This year, we also secured our first direct contracts in Malaysia and Saudi Arabia. In terms of finding new industry solutions, products such as CCS and rigless P&A were introduced in 2022. New functions were also designed for many of our existing equipment. As we start 2023, I have no doubt that the Well Services team will continue to make us proud with their performance.

Elisabeth Haram, **EVP Well Services**

Achieving steady growth

As a globally recognised name within the Well Services area of the upstream oilfield service sector, Odfjell Technology made significant progress in 2022.

Faced with a challenging business environment, resulting from unstable markets and the energy crisis, the Group was able to achieve steady growth, sustain high activity levels and explore several new opportunities.

Many businesses in Europe and the surrounding markets experienced difficulties in 2022 because of the Russia-Ukraine war. Odfjell Technology experienced only minor difficulties, since we had no direct business in Russia or Ukraine.

Business operations were hampered by factors such as cost increases in raw materials, extending lead-times in the

supply chain and a lack of resources for the industry after the global COVID-19 pandemic.

The strength of our global brand is demonstrated in the way we managed to successfully recruit 107 new personnel to support our growth in 2022, an increase of 11%, with 45% of our employees working offshore. At the same time we continued to invest in our facilities, making

significant upgrades to our largest and busiest workshop in Tananger, Norway. These are upgrades we expect will bring improved working conditions for our employees and more efficient operations for our clients as we go forward.



Our key milestones

In spite of these challenges, we are pleased to report we achieved several key milestones in 2022, as summarised below.

- Re-entered the Saudi Arabian market, securing a direct Tubular Running Services (TRS) contract with Saudi Aramco
- Several other TRS contract awards in Norway, Malaysia, UK and Netherlands
- Delivered a world first, running different sizes of our patented DrillRDillo's in tandem for ADNOC in Abu Dhabi
- Achieved our highest level of Defuse™ casing reamer sales, with deliveries in all geomarkets
- Delivered two packages of VX-57 drillpipe and accessories to bp in the UK
- Secured a second package of Wired Drillpipe and accessories for Aker BP
- Onboarding of Shell Albania and Dosco Israel as new clients

In terms of technology development, we made a significant breakthrough in 2022, successfully installing and running our fully automated and hands-free Continuous Circulation System (CCS) on Deepsea Aberdeen. This technology is critical to areas/wells where the operating envelope for pore pressure is narrow. This Odfjell Technology system is market leading and differentiates itself with the ability to be operated remotely, removing the need for people to enter the red-zone of the drill-floor and is fully compatible with wired drill-pipe.

In order to meet the increasing demands from our clients, we also made improvements to several of our core products this year—improvements that are targeted to increase efficiency and reduce the cost of operations.

Caring for the environment and people

Caring for the environment is always considered in our planning and execution. In 2022, as part of our upgrade of the Tananger facility, we replaced the acid baths with modern ultrasound cleaning facilities and replaced the fleet of diesel forklifts with electric forklifts.

We launched GO GREEN, our campaign under our "People Initiative" that aims to raise environmental awareness of our people and challenge them to perform small and sustainable acts to "Reduce, Reuse and Recycle" at work and at home. We took various steps in our other global offices and workshops to reduce energy consumption and increase the recycling and reuse of waste.

Odfjell Technology continues to significantly invest in our people and their safety.

Our mental health campaign "I see you" was rolled out this year. We also completed 7 years without a loss time incident (LTI) in Turkmenistan and 9 years without an LTI in the UK. Global leadership insight programs were conducted along with local leadership masterclasses in all areas.

Outlook

Though the uncertainty around the global political situation is likely to remain unchanged in 2023, Odfjell Technology is confident in our strategic direction and ability to reach our long-term targets.

In the coming years our Well Services division has ambitions to realise significant growth through diversification of product offerings and new sectors such as geothermal and increased geographical footprint in new territories, including Africa.

Tubular Running Services

Top Drive TRS (CRT)
Remote Operated TRS
Integrated TRS (iTRS)
Casing Accessories



Casing Drilling

Non-Directional CWD
Casing Reaming



Well Intervention

Wired Drill Pipe
Conventional Drill Pipe
Tubular Handling Tools
Downhole Tools



Drilling Tool Rental

Wellbore Cleanup
Fishing & Remedial
Sidetracking
Rigless Intervention
Plug & Abandonment



Integrity Services

Integrated Drilling Services
Integrated P&A Services



Operations

“Committed, Safety Conscious, Creative, Competent and Result Oriented. These are our core values which clearly describe the first year of operations under the new Odfjell Technology banner. We built the foundations this year to gain strength and capabilities for the future. It was exciting to expand into a new market by taking over the management of the Linus jack-up rig. We are proud of how we delivered a successful transition and look forward to continuing our operation of Linus. Our 2022 QHSE program addressed the increase in LTIs during 2021. Throughout the year we have seen good trends for total recordable incidents. Regretfully, there was a safety incident on Linus which caused concern. This was investigated, and we have reinforced the commitment to safety at all leadership levels.

Kurt Meinert Fjell, **EVP Operations**



Putting our core values into operations

This year we successfully separated our platform drilling services from Odfjell Drilling, forming the new and focused Operations Business Area within Odfjell Technology.

We provide drilling operations to 16 fixed installations across Norway and the UK (10 operative and 6 in maintenance mode). In addition, we now also provide services to the Linus jack-up rig which is an exciting first for Odfjell Technology. Moving into this area will enable us to grow and develop in the jack-up rig market.

We have delivered efficient operations and a stable and strong order backlog, whilst safeguarding margins. Going forward, we will continue to enhance the collaboration capabilities across our business, utilising our internal competence to its fullest.

Contract successes

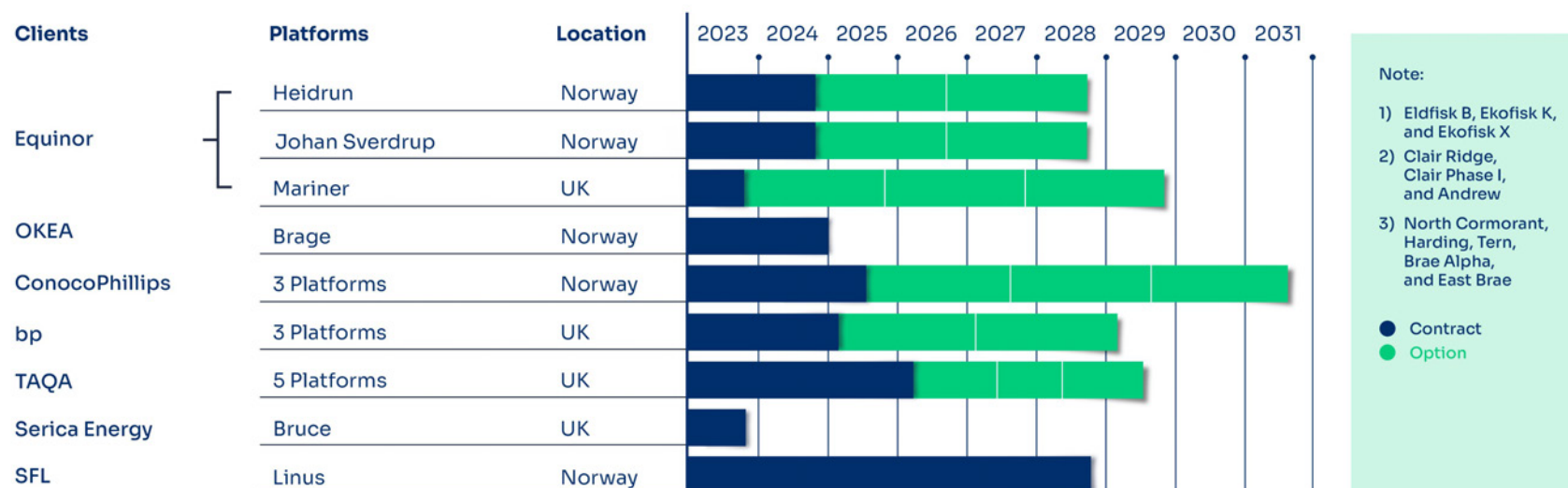
Our contract successes in 2022 were:

- Contract signed with SFL to provide management services for the harsh environment jack-up drilling rig Linus. The rig is contracted to ConocoPhillips in the North Sea until the fourth quarter of 2028.

- The Serica Energy contract has been successfully renewed for a further year and discussions are ongoing regarding future services.
- The Johan Sverdrup and Heidrun contracts with Equinor have been merged. The first option was exercised in October 2022 for two years with two 2-year options thereafter
- Mariner implemented a Performance Incentive Agreement with Equinor to drive improvements

- bp Clair Phase 1 moved into the deemed cost alliance model in December, in alignment with the Clair Ridge model
- Working with a new client, OKEA ASA who have taken over the Brage platform from Wintershall Dea

Our contract portfolio and backlog is presented below:



Highlights:

Our 2022 highlights include:

- Improved performance on Johan Sverdrup (JSDP) this year generated good results and key learnings will be used on Mariner to position us for an enhanced performance in 2023
- Effective reporting using Power BI software has significantly enhanced our management information and time efficiency
- Commercialisation of our environmental mapping system to offer it to clients
- Successfully obtained the Acknowledgement of Compliance (AoC) from the Norwegian Petroleum Safety Authorities for the Linus, and started our management services
- Implementation of Automated Drilling Control and Multi Machine Control on JSDP and working on Mariner with the same initiatives
- Successfully commenced operations on new units in our TAQA portfolio

We are pleased to see that Odfjell Technology has already consolidated its position in the drilling operations market after the spin-off from Odfjell Drilling. Now that we have become our own entity we are stronger, more focused and passionate about our operations and core business. We are committed to continue enhancing our reputation through excellent capabilities and offerings. 2023 will be a year to focus on stable and efficient operations in order to protect backlog and pursue key opportunities for growth, such as in the jack-up rig market.



Projects & Engineering

"Since joining the Group in September, I have been incredibly impressed with the level of competence, enthusiasm, and commitment within the Projects & Engineering organisation and a real drive to live by our core values. I'm truly excited to build on our heritage and expertise which will lay the foundation to develop new technology to support the energy transition. Learning and growing is key to any successful business, and I am extremely proud of the people in the organisation and how they have coped with this exciting period of growth.

Anne Siri Sævareid, **EVP Projects & Engineering**

Unique competence and service portfolio

Service Offering

This key business segment acts as an enabler for Odfjell Technology to deliver growth and value creation. It combines our previous Project and Engineering division, including Technical Integrity Management, Marine and HVAC services, with our Innovation and Development division, now referred to as Green Technology. As a highly integrated technology and engineering organisation, we deliver specialist services, technology, and competence across the global energy value chain.

We offer the energy industry comprehensive experience across a range of disciplines. Our unique competence derived from five decades of operations, gives us a unique understanding of drilling facilities and offshore installations, enabling us to support clients with everything from feasibility and concept studies, FEEDs, EPCs, modifications and upgrades, and operational engineering. Our highly experienced engineering and procurement teams ensure safe and cost-effective planning, execution, and

commissioning of complex projects. Using multi discipline teams and utilising the operational perspective we bring to the process, we define scope, design the engineering solution, and manage the project execution and installation.

Our unique operational legacy and complex project management capability, and inspection services makes us unmatched in delivering cost and time efficient yard stays and Special Periodic Surveys.

Highlights 2022

In 2022, we focused on increasing capacity and competency across all our service lines. Our employee and contractor headcount increased 13 % to around 200 people within the Projects & Engineering Business Area, with the successful recruitment, onboarding and training of resources within all departments.

We have continued to support Odfjell Oceanwind in the design and development of industrial scale floating offshore wind turbines, as well as providing engineering services to Odfjell Drilling Ltd (ODL), in particular for their Special Periodic Survey program. In April, we worked with ODL on upgrade projects and modifications for Deepsea Aberdeen, including PowerBlade™ installations.

The PowerBlade™ technology, developed in partnership by Odfjell Drilling and NOV, captures, stores, and reuses kinetic energy produced from operating equipment. With a potential 80% power consumption reduction in active heave compensation mode, this is a significant contributor to reducing fuel consumption and cutting emissions. We have also secured the Heidrun B modification and upgrade work for Equinor which will significantly reduce emissions. 2022 saw us winning work with new clients such as COSL, Saipem, Aker BP, and Aragon - all welcome additions to our portfolio.

Odfjell Technology's unique competence and service portfolio

Project Services

- Project Management
- Reactivation Management
- SPS/RS Services
- Construction Services
- System Integration
- EPCIC

Engineering Services

- Concept
- Studies
- FEED
- Detail Design
- Reversed Engineering
- Greenfield / brownfield
- Technical Consultancy

Marine Technology

- Concepts & Studies
- Analyses
 - Mooring & Risers
 - Stability, Seakeeping
- Operations & Procedures

Green Technology

- Energy Management
- Power Optimisation/ Efficiency
- Hybrid Solutions
- Shore / Grid Solutions
- Founding Solutions



Asset Integrity Services

- Maintenance Management
- Technical Integrity Management
- Structural Integrity Management
- Risk Based Inspection Management
- Compliance Management
- New Tonnage Assessment

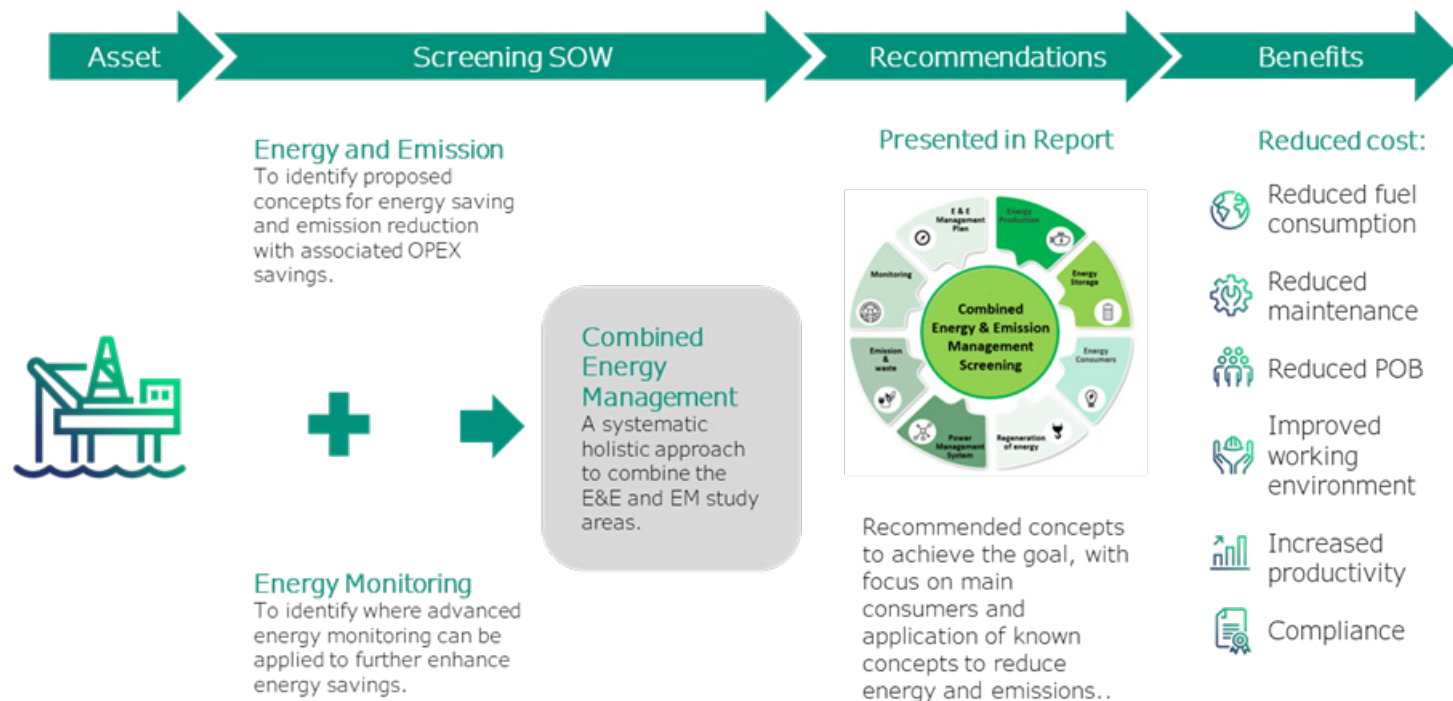
Inspection Services

- Non Destructive Testing
 - Lifting equipment
- Structural Integrity Management
- Derrick inspections
- DROPS management
- Hose management
- Equipment and Asset Condition

Installation & Field Services

- Installation Planning and Management
- Field Installation Service - all trades
- Rope Access Technicians - all trades
- Complex Lifting/Installation
- Decommissioning

An exciting area of growth during the year has been in our Green Technology division with their service, Combined Energy Management (CEM) Screening. This unique service assists clients in achieving their emission reduction goals on all kinds of offshore and maritime assets.



Our specialists in energy optimisation, extract and analyse the asset's energy consumption and establish a baseline. Next, by assessing findings vs. the available proven technologies, the cost-effective solutions will be recommended to asset owners for the purpose of reducing emissions and fuel consumption. Advice is

also given on subsidies and funding available for implementation of such technologies, particularly on the Norwegian Continental shelf. This is an area we expect to grow even further in 2023.

A project of note was the provision of services to our Operations Business Area

for obtaining the Acknowledgement of Compliance (AOC) for taking on the Linus jack-up owned by SFL and operated by Odfjell Technology. This demanding project was delivered in a short timescale and illustrated the power of collaboration between our Business Areas to deliver on behalf of our clients.

Outlook

We have seen activity increase in 2022 and expect this will also be the case in 2023. Already we see more opportunities for integrated services across the Odfjell Technology portfolio. The execution of projects such as a study for assessing measures to improve material handling on the drill floor of Johan Sverdrup – where experts from both our Projects & Engineering and Operational Business Areas work closely together – demonstrates the unique opportunity we have for collaboration across all our specialist competence areas in the Group.

Within our Technical Integrity Management area, our experience database includes data from more than 600 operational years of Mobile Offshore Units in a harsh environment. The data is used for validation and improved prediction of failure potential of structural, drilling equipment and pressurised integrity. The improved predictions provide large cost savings and ensure at all times technical integrity of the assets. Utilisation in this area is high, and we expect this to continue to grow.

There is a great opportunity to use our heritage and expertise in each of our disciplines to support the energy transition. We look forward to expanding our resource base with new talent, who can be part of a team working on solutions to aid in the development of cleaner energy and help secure the energy supply for generations to come.

Sustainability



Environment, social responsibility and governance

The environmental, social responsibility and governance (ESG) strategy in the Group is based on the focus areas "Environmental Impact", "People & Safety" and "Ethics & Governance". The material and important topics under each focus area reflect the Group's significant economic, environmental, and social impacts. They are prioritised based on their impact on our stakeholders and the Group's business, and on our ability to make the greater difference based on Group capabilities.

More information is available in the Company's [Sustainability Report](#) for 2022, which has been prepared in accordance with the Global Reporting Initiative 2021 Sustainability Reporting Standards on www.odfjelltechnology.com/sustainability/esg-resources/.

Ambition

The overarching ambition of Odfjell Technology is to be a net zero emission company by 2050. The following ambitions are reflected in our material topics throughout the three focus areas:

- industry leader in environmental performance
- ensure the highest safety standard and protect our people's health and well-being
- committed to high ethical standards, compliance and integrity

How we manage sustainability

The Group's strategy is anchored on level 1 in the Company Management System. The purpose of the procedure is to align and link the Group's ESG effort and ambitions, it is important to make ESG visible in the Group's existing governing processes. This requires cooperation and coordination across the established governance models within Business Areas and Group level functions.

Sustainability is a consideration for the Odfjell Technology Ltd Board of Directors (the "Board"). The Board receives regular updates on sustainability matters and conducts deep dive discussions on sustainability topics as required. Heads of functions are responsible for strategy implementation and reporting on risk and performance to the Executive Management Team and the Board. The VP Sustainability is responsible for the design and implementation of the Group's ESG strategy, with input and in cooperation with each of the corporate and Group level functions as chair of the sustainability working group. For a detailed overview, see [the Sustainability Report](#) page 6.

Highlights

- First standalone Sustainability Report for Odfjell Technology since the spin-off from Odfjell Drilling Ltd in March 2022
- Successful reduction of approximately 80% in CO₂ emissions from the new electric forklift fleet in Tananger
- Implementation of stand-alone Human Rights policy and strengthened human rights risk assessment
- Suppliers' human rights risk profiles established on all new suppliers after July 1st
- Goal of 30% women in leadership roles surpassed
- Zero cases of corruption reported or identified



QHSE

” Odfjell Technology works relentlessly to strengthen our QHSE culture and ensure everyone returns home safely. Our ambition of operating “Always Safe” is based on understanding risk in daily operations and understanding the root causes when incidents happen. This approach is crucial for learning. Sharing the learnings openly helps us improve.

Eva Utskot, **SVP QHSE**

QHSE Management

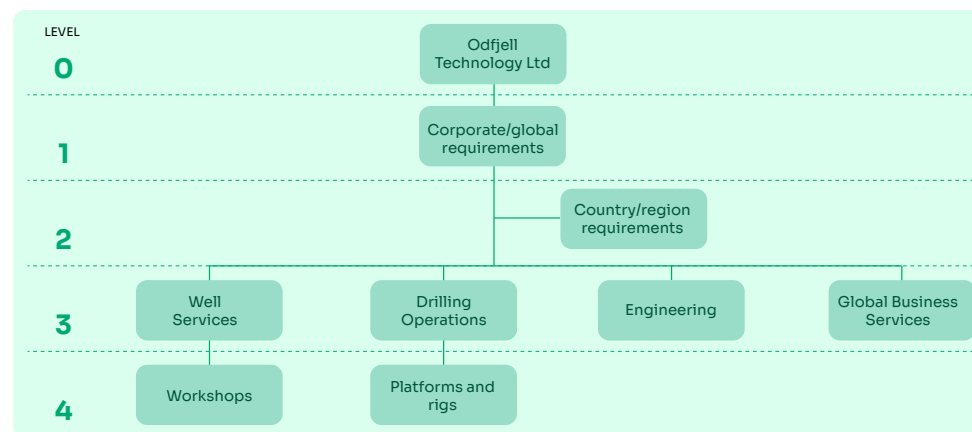
Odfjell Technology works continually to maintain and develop the highest quality standards for our products and services, to protect assets, and to prevent harm to people and the environment. Leadership, strong understanding of risk and a continuous focus on QHSE performance are essential in achieving this. QHSE is a management responsibility starting with commitment from the top, cascaded down through line management.

Odfjell Technology promotes a QHSE culture based on competence, commitment, mutual respect, empowerment, and involvement. The Plan-Do-Check-Act cycle is an integral part of our work culture to ensure continual improvement.



Company Management System

Our Company Management System (CMS) containing policies, processes, and procedures, is the framework for operating our business, meeting the requirements and expectations of our owners, authorities, clients, and other stakeholders.



The CMS is built on 50 years of operational experience within the drilling sector and complies with recognised international and national standards as well as national legislation. It consists of 5 levels, where level 0 contains policies established by the board of directors and level 4 contains unit specific work instructions.

Odfjell Technology holds the following certifications and accreditations:

- ISO 9001 Quality Management System
- ISO 14001 Environmental Management System
- International Management Code for the Safe Operation of Ships and for Pollution Prevention (ISM Code) (Jack-up management services)
- API Q2 Quality Management for Service Supply Organisations (Well Services)
- International Association of Drilling Contractors for Competence Assurance Programme (Odfjell Technology UK Ltd)

Risk-based Approach

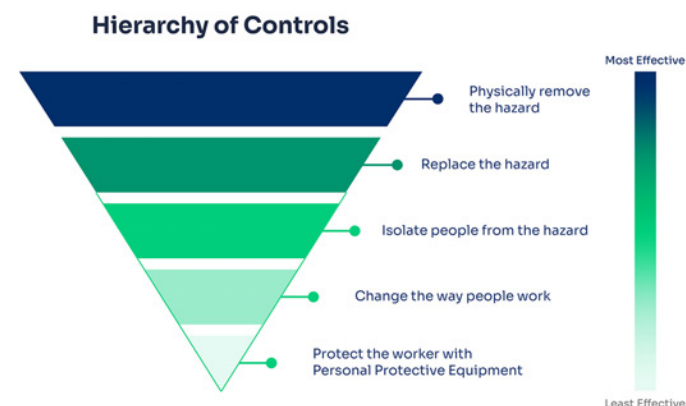
Details on our risk-based approach can be found in the section [How we manage risk](#). Odfjell Technology practices a QHSE risk management process for all operations, by which hazards are identified, and associated risks are understood and managed in such a way that the risk levels are reduced to as low as reasonably practicable.

Human factors and their influence on human performance are included in risk assessments.

The 'Hierarchy of Controls' approach ensures that the most effective mitigating actions are implemented. QHSE risk management is integrated in daily operations as exemplified below:

- As a basis for decision making
- As part of planning of work
- As part of managing change
- In developing new procedures or improving existing procedures
- When incidents are reported
- During performance of work

Risk assessments are also performed as part of pre-job and de-brief meetings to prevent incidents and learn from previous experience. All employees have a personal responsibility to risk assess their own work. Everyone has the obligation and authority to stop unsafe work.



QHSE Programme 2022



Odfjell Technology's annual QHSE programme is established along with Business Area specific QHSE action plans. Inputs to the QHSE programme include:

- Audit results
- Key Performance Indicator (KPI) status
- Data analyses and performance evaluations
- Risk registers/risk analyses
- Environmental aspects and impacts registers
- Management reviews
- Inputs from authorities, clients and the industry

The QHSE programme includes the main activities, objectives and KPIs to be prioritised and measured during the year. Our main priorities in 2023 are largely in line with those detailed for 2022. These will be adjusted based on emerging threats in 2023, as well as improvement areas identified through internal management reviews, audits, and other processes.

Occupational Health and Safety

Of paramount importance to Odfjell Technology, is working relentlessly to maintain the highest safety standards and protect the health of our employees and other individuals associated with our operations. Odfjell Technology has a long-standing culture of cooperation with safety delegates which is based on communication and collaboration.

Safety delegates are present offshore and onshore to safeguard employee's interests in occupational health and safety matters. They are responsible for reporting concerns and issues to management.

Working environment surveys are performed regularly both onshore and some offshore to measure employee satisfaction.

Results are presented to the workforce for consultation and participation in the development of any action plans required for improvement.

The average score of all responses for the onshore working environment survey is 5 based on a scale from 1 to 6, where 1=Strongly disagree and 6= Strongly Agree. The result shows a stable trend compared to 2021 and 2020.

	2020 Mean	2021 Mean	2022 Mean
Onshore survey	5.1	5	5

The working environment survey for offshore employees was last performed on the Norwegian Continental Shelf in 2021. The average score of all responses for the offshore survey is 76 (2021) based on a scale from 0-100, where > 78 is significantly above the average compared to the reference material (Oil & Gas-benchmarking). The next offshore survey will be performed in 2023.

In cooperation with Odfjell Technology's occupational health service providers, we measure and monitor exposures in the physical working environment to ensure the safety and wellbeing of employees.

Sickness absence is an indicator of the working environment and is continuously monitored. The total sickness absence for Odfjell Technology in 2022 was 4.20%, slightly over the target of 3%.

Although the indicator was above the target, sickness absence is lower by more than 1%, compared to 2021 showing that a positive trend is developing after the Covid-19 pandemic.

In early 2022 sickness absence was still affected by the pandemic and this trend improved towards the end of the year.

The knowledge and experience of our workers are important, and worker participation is essential to ensure safe operations.

The HSE rules are the fundamental principles forming our company safety culture, which is based on competence, involvement and commitment from all employees and managers. The HSE rules are a personal responsibility:

- *I will always comply with rules and procedures*
- *I will always risk assess my work*
- *I will always act when I see unsafe behaviour and conditions*



As part of our safety work, Odfjell Technology promotes awareness of human factors and how they influence human performance. We recognise that people will make errors and that errors are typically due to underlying conditions and systems. Understanding why errors happen helps us to prevent or correct them. One of our focus areas within human factors is safety leadership and leader behaviours. How leaders respond to errors and how they act when failures occur are crucial in learning from incidents and improving.

Human Factors are divided into organisational factors, technical factors, and individual factors. These factors and their interfaces are useful in understanding the root causes of incidents.

Another important industry safety tool that Odfjell Technology has implemented is the Life Saving Rules, adopted from the International Association of Oil & Gas Producers. These rules highlight the activities most likely to lead to a fatality and provide proactive guidance to prevent serious injuries. We have initiated people-oriented programmes to reward good safety behaviours and performance, such as launching monthly safety awards to recognise the best safety observation and exceptional effort in the safety arena.

Safety incidents

All incidents are reported and classified according to the Odfjell Technology incident classification matrix. Based on the actual or potential consequences, incidents are subject to a thorough investigation process. In 2022, four corporate investigations were carried out, two of which were initiated by the client. In addition to these were several local area investigations.

The four corporate investigations in 2022 involved three high potential incidents (HIPO) and one serious accident. One of the HIPO incidents occurred in a workshop onshore and involved a collision between a narrow aisle forklift and a quick lift crane. The incident had the potential of weakening the racking system structure and collapsing. The remaining two HIPO incidents occurred offshore and involved dropped objects that had the potential of causing injury to personnel.

The serious accident occurred when an Odfjell Technology employee suffered a severe injury during work on a cantilever drag chain. During the operation, the chain fell half a metre and the IP's shoulder became trapped. This resulted in a lost time injury.

For each of these incidents the investigation process enables us to:

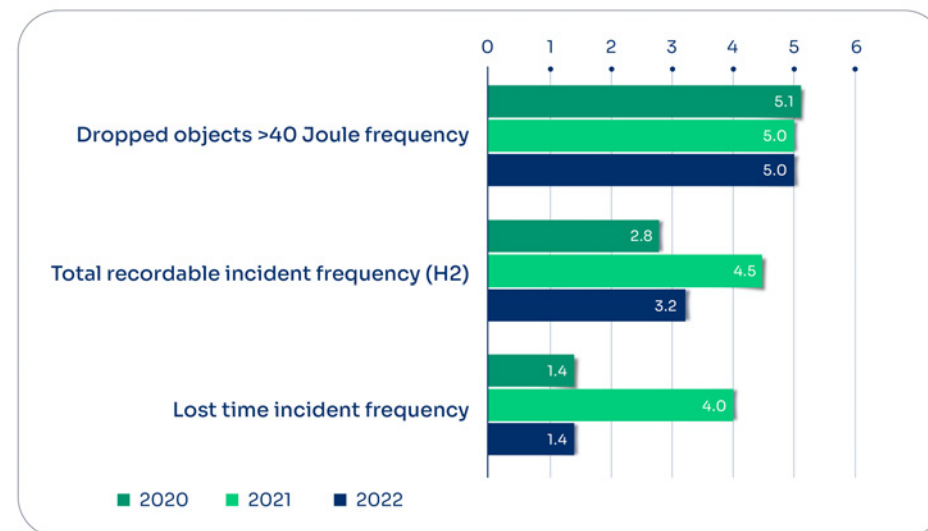
- Identify direct and root causes to take action to prevent recurrence
- Satisfy internal and regulatory incident reporting requirements

Corrective and preventive actions as defined in the investigation reports are

registered in Odfjell Technology's Synergi system for follow-up of incidents. Lessons learned from incidents are shared internally and with the industry to prevent recurrence, by understanding the reasons for the failures occurring and applying these learnings in the future.

HSE trends

Overall, there are positive trends developing for lost time incident frequency (LTIR) and total recordable incident frequency (TRIF) in 2022. Compared to the previous year, there has been no significant changes in the dropped object frequency.



Security

Security in Odfjell Technology is an integrated part of the CMS and QHSE management system, designed to safeguard personnel, assets and business from potential security threats. The war in Ukraine as well as threats towards the oil and gas industry have highlighted the need for increased security awareness. Odfjell Technology has strengthened the security team and several country risk assessments, and site surveys have been performed for international operations. 2022 showed an even higher cyber security risk than in 2021 which is managed by the Odfjell Technology Cyber Security Task Force. No security breaches

were reported in 2022, and unannounced phishing tests are frequently performed by the IT department. The QHSE program for 2023 will highlight the increased attention given to security with a dedicated section -Security Conscious.

Environment

Environmental risks and opportunities are identified and managed through environmental aspects and impacts registers, applying the life cycle approach. Any significant aspects identified form the basis for setting and formulating objectives and improvement programmes to reduce our impact on the environment.

In addition to operational processes, environmental impacts are considered in design, procurement, logistics and disposal processes. The environmental management system, environmental performance, and initiatives to reduce our carbon emissions are further described in our [Sustainability Report](#).

Emergency Preparedness

Emergency Preparedness plans are established for all levels of the organisation and there is an annual plan for emergency drills and exercises based on defined hazard and accident situations, legislative, internal and client expectations. Physical drills, exercises, and courses for both onshore and

offshore personnel were resumed after the Covid-19 restrictions were lifted, including drills for international operations.

The aftermath of the Covid-19 pandemic has kept the emergency preparedness organisation active in setting up extra courses, drills and retraining.

Learnings and experiences from these exercises are used to improve our onshore and offshore emergency preparedness organisations.



Supply Chain



Supply Chain Management (SCM) includes all purchasing and logistics functions. It is a centralised function, enabling us to negotiate the best terms for all Business Areas and ensuring resources and best practices are optimised. There is a global standard policy covering Enterprise Resource Planning (ERP) system use, ERP and SCM training, parts catalogue code structure and classification, all supported and managed centrally.

Process compliance, efficiency and effectiveness are monitored for consistency across all Business Areas and key performance indicators reported. SCM is a critical function in ensuring operations run smoothly and digital initiatives in SCM are a significant contributor to increasing efficiency.

SCM is instrumental when looking at how to reduce waste, track and record emissions from logistics to target reductions and utilise more environmentally friendly solutions.

As an international Group, our suppliers are spread around the globe, with the highest activity levels being in Norway, UK and United Arab Emirates. The main types of suppliers are suppliers of drilling related equipment, spare parts and safety equipment and operational consumables, along with various service suppliers.

We screen all potential new suppliers through our Become A Supplier (BAS) process before they are added to an Approved Vendor List within our ERP system. This is to assure our governance and ethical standards are met down through the supply chain.

The supplier prequalification process includes assessments of the supplier in a variety of areas which are evaluated against our expectations. During 2022, the Group has undergone Human Right's risk assessments and our BAS process now incorporates a separate questionnaire on human rights to allow us to assign a risk score based on self-assessment and evaluate compliance down the supply chain. Suppliers are also assessed for their compliance with statutory regulations and the Odfjell Technology Code of Business Conduct. We look to have open and constructive relationships with our key supplier stakeholders through audits, performance reviews, collaborations and regular meetings with key frame agreement suppliers. More information can be found under responsible agents and suppliers in the [Sustainability Report](#) page 39.

There have been a number of economic pressures affecting the supply chain this year, with an impact on the availability of products and increasing lead times. The SCM function has adapted to take these challenges into account with increased forward planning.

2,372.4

Million NOK
Spend with suppliers



1,897

Number of suppliers
used in 2022



37,551

Number of invoices
received



How We Manage Risk



Risk management is the identification, evaluation, management, mitigation, review and escalation of risks and opportunities. The Board has responsibility for setting the level of risk the Group is willing to take in achieving its strategic objectives and to protect and add value to Odfjell Technology and its stakeholders in a sustainable manner. This is facilitated by maintaining a framework of risk management and internal controls in compliance with the requirements of ISO 31000. Risk categories are QHSE, financial, legal/compliance, people, reputational, operational, climate and strategic.

Management of risk is achieved by:

- Defining risk acceptance criteria
- Defining requirements for systematic risk management
- Considering uncertainties before decisions are taken
- Maintaining risk registers identifying risks and controls required to mitigate risks
- Rating risks based on impact and probability of occurrence
- Prioritising probability reducing measures before consequence reducing measures
- Utilising the “as low as reasonably practicable” philosophy for risk reducing measures
- Integrating risk management into the Odfjell Technology culture and decision processes

- Establishing reporting lines for risk management
- Providing risk awareness and risk management training
- Monitoring risk management processes and their effectiveness
- Ensuring continuous improvement of risk management processes

At a corporate level, an Enterprise Risk Register is maintained to identify significant risk items which are then reported in a systematic format to the Board. At an operational level, business area risk and opportunity registers are maintained to manage risk with additional registers maintained at asset or regional level. Risk registers are also created for projects, or as a result of management of change reviews.

A Corporate Risk Committee and Tender Committee are in place to ensure that tenders/client contracts, designated operations and procurement of a certain value and/or certain risk profile are subjected to a unified risk assessment. Significant risks are escalated to the Board. Task based risk assessments such as hazard identification are carried out at the planning stage of work, followed by workplace assessments such as Safe Job Analysis carried out at site, and safety checks/tool box talks take place at the start of a job.

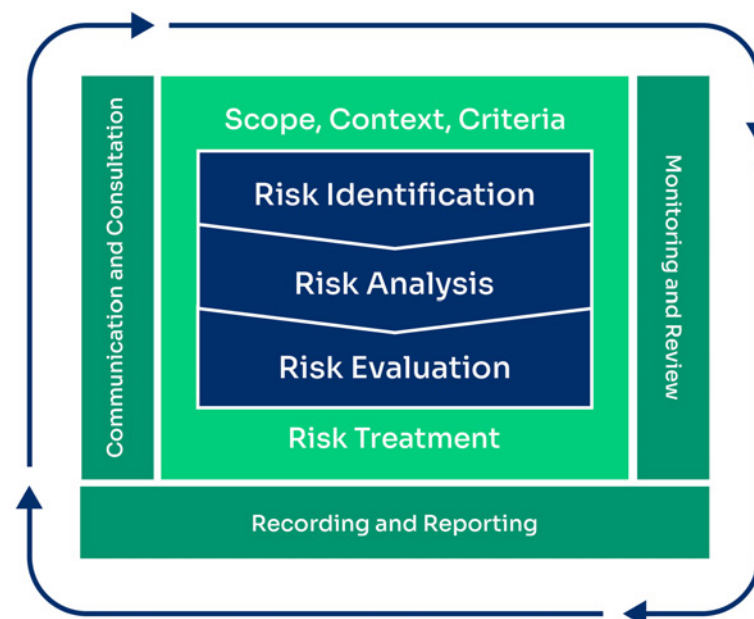
The war in Ukraine increased the level of cyber security risk and measures have

been taken to respond to this heightened risk. During the year we also initiated human rights risk assessment procedures and worked with external advisors on the identification, categorisation and impact analysis for climate risks. More can be read about these activities in our [Sustainability Report](#).

Risk is also managed via internal audits to ensure compliance with procedures and through lessons learned reviews, leading to revision of practices to enhance controls. The Group acknowledges that

effective risk management is a vital part of corporate governance to ensure operational continuity and to realise strategic goals. The Board believes it has sound internal controls and systems for risk management that are appropriate for the extent and nature of the Group's activities. Odfjell Technology shall continuously ensure reduction of negative risks to as low as reasonably practicable as part of its business planning and operational activities. The [Board of Directors Report](#) contains a [Risk Review](#)

RISK MANAGEMENT PROCESS



How We Engage With Stakeholders

Stakeholders are entities or individuals who can reasonably be expected to be significantly affected by the Group's activities or whose actions can be reasonably expected to affect the Group's ability to achieve objectives. The Group engages in stakeholder dialogue to build trust and drive business development. It is also important to understand risks and opportunities and to adapt to change. Further details on this engagement can be found in the 2022 [Sustainability Report](#).

Shareholders and potential investors

As a listed Company, we aim to regularly update shareholders and potential investors on both price sensitive information and information which we deem salient to the ongoing performance of our business. We do this through regulatory news updates, quarterly reports, investor conference calls, including question and answer sessions, annual reports, and investor presentations. We also have multiple social media accounts where we aim to keep stakeholders updated on non-price-sensitive matters and engage with

followers. The Group website also provides information on corporate governance, news, stock exchange notices, and activity. Investors can contact the Company directly through our Investor Relations Officer, whose details can be found on our website.

Clients and Suppliers

The Group works to maintain a professional and ethical relationship with all clients and suppliers. Clients are regularly updated on the Group's operational and health and safety performance via contract reviews and regular meetings both formal and informal. This ensures client relationships remain positive, and any issues can be raised and dealt with promptly. Ethics and governance are addressed through industry forums and verification and audit processes. Clients and suppliers can also access information on the business via our website which is kept updated with regular news items. The Group relies on its suppliers to provide excellent quality goods and services to maintain the highest standards of operation, safety and reliability in meeting the needs of its

clients. Supplier relationships are managed under the "Become a Supplier" procedures, which apply to all subsidiary companies within the Group and are detailed further in the Supply Chain section. The Group works in close collaboration with key suppliers, who are subject to supplier audits.

Employees

We are focused on the continual development and nurturing of our employees and recognise that engaging with our staff is of extreme importance to the continued success of our business. We make sure our employees are regularly updated on health and safety and financial and operational performance, as well as market information via town halls. In addition, we keep our employees up to date with Group information both via our intranet portal, as well as via our website.

We engage with employee groups via working environment surveys to get their feedback and identify areas for improvement in their working environment, tracking trends in scoring

year on year and across locations and Business Areas. Performance evaluations, as well as reporting line dialogue, ensure ongoing follow up with employees, covering training needs as well. The Group engages in dialogue with local unions and employee groups. Furthermore, we also seek to engage with our employees via employee events and social media initiatives.

Authorities

Strong and open dialogue with authorities is extremely important to us. We update relevant authorities and industry forums on health and safety and compliance matters through meetings, regular reporting, certification, and approval processes. Where appropriate, we maintain membership of relevant industry bodies and organisations and have a rigid focus on adhering to required certification and approval processes.

We regularly conduct internal audits to ensure our conformance with local authority requirements and update our website regularly to meet requirements set by authorities as appropriate.



Governance



Board of Directors during 2022

Helene Odfjell, Chair

Appointed 10 January 2022

Helene Odfjell (born 1965) and a UK resident, has a Master of Business Administration from the Norwegian School of Economics (NHH), a Master of Business Administration from London Business School and is a Chartered Financial Analyst. Mrs. Odfjell has many years of experience in business and management and holds many board and management positions in the affiliates of the Company. Ms. Odfjell was Chair of the Board of Odfjell drilling Ltd for several periods over the last few years before being appointed Chair of Odfjell Technology Ltd. Ms. Odfjell controls 23,825,396 shares in the Company as at year end 31 December 2022.

Susanne Munch Thore

Appointed 10 January 2022

Susanne Munch Thore (born 1960) and a Norwegian resident, is a partner with the Norwegian law firm Arntzen de Besche. She has a law degree (cand. jur.) from University of Oslo, a Diploma of International Affairs from John Hopkins School of Advanced International Studies, Bologna and a Master of Laws from Georgetown University, Washington D.C. She was a partner in Wikborg Rein's Oslo office and part of the firm's Corporate Finance and Tax group. She has been Legal Officer at the Oslo Stock Exchange and has assisted foreign and Norwegian entities with mergers and acquisitions, capital market transactions and stock exchange listings, as well as transactions pertaining to company law and securities law, and has extensive experience from various boards. Ms. Munch Thore owns 500 shares in the Company as at year end 31 December 2022.

Simen Lieungh

Appointed 16 December 2021, resigned 10 January 2022

Biography presented in [the Executive Management Team section](#)

Alasdair Shiach

Appointed 10 January 2022

Alasdair Shiach (born 1956) and a UK resident, has a Bachelor's degree in Business Studies from Robert Gordon's University (formerly RGIT) in Aberdeen, Scotland. Mr Shiach has 40 years of international experience in the Oilfield Service sector having worked for Dresser Industries and then Baker Hughes Inc. Prior to his retirement in May 2016, Mr Shiach held senior executive leadership positions at Baker Hughes, including President of the Drilling Fluids product line and President of the Russia Caspian region as well as assignments in the USA, UAE, Saudi Arabia and Norway. Mr Shiach is also on the board of Welltec.

Victor Vadaneaux

Appointed 29 March 2022

Victor Vadaneaux (born 1964) is a Senior Advisor in private equity and works independently with various private equity firms to assess investment opportunities and build significant value in their portfolio companies. Mr. Vadaneaux has extensive experience in leading management teams in manufacturing and distribution businesses, and has held a variety of management positions in various companies. Mr. Vadaneaux holds a Master of Business Administration from Harvard Business School, a Master of Science from Telecom Paris and an engineering degree from École Polytechnique. Mr. Vadaneaux owns 16,563 shares in the Company as at year end 31 December 2022.

Executive Management Team



Simen Lieungh,
Chief Executive Officer,
Odfjell Technology AS

Appointed CEO of Odfjell Technology AS in 2022 following 12 years' experience as CEO of Odfjell Drilling AS. Mr. Lieungh holds an MSc in Mechanical Engineering from the University of Trondheim. With over 30 years experience in the global oil and gas industry, he has held various management positions and was previously CEO of Aker Solutions.



Jone Torstensen,
Chief Financial Officer,
Odfjell Technology AS

Appointed CFO of Odfjell Technology AS in 2022 following 10 years' experience at Odfjell Drilling. Mr. Torstensen is educated in business economics and administration at Stavanger University College and the University of Bergen. He spent 18 years at Aker Kværner and Aker Solutions, during which Mr. Torstensen held various management positions across several departments including finance, project management and business development.



Elisabeth Cecilie Haram,
Executive Vice President,
Well Services

Appointed to current position in 2022 following 18 years' experience at Odfjell Drilling. Ms. Haram holds a Master of Science degree in Industrial Economics from the University of Stavanger. She held various management positions within Odfjell Drilling, including Rig Manager, Operations Manager Platform Drilling Norway, Vice President Odfjell Well Services Norway, and Executive Vice President Drilling Operations.



Kurt Meinert Fjell,
Executive Vice President,
Operations

Appointed to current position in 2022 following 20 years' experience at Odfjell Drilling. Mr. Fjell holds a bachelor's in Mechanical Engineering from Western Norway University of Applied Sciences and a Project Management Professional from Oslo and Akershus University College. He has broad experience from Operational and Technical Business Areas, in addition to his project management and strategy background. Through his years in the Odfjell Drilling group, he has specialised in Transition Management, Consolidation Projects, and right-sizing.



Anne Siri Sævareid,
Executive Vice President,
Projects & Engineering

Appointed to current position in 2022.

Ms. Sævareid holds a Master of Science from the Norwegian University of Science and Technology in Trondheim. She has considerable experience from 25 years in the oil and gas industry, both from oil operators and supplier companies. In 2022, she was appointed as EVP Projects & Engineering in Odfjell Technology, following 13 years at Seadrill where she held various management positions within the fields of Operation, QHSE, Projects and Contract Management.



Diane Stephen,
General Manager,
Odfjell Technology Ltd.

Appointed to current position in 2022 following three years' experience at Odfjell Drilling. Ms. Stephen holds an MA Hons degree in Accountancy from the University of Aberdeen and is a qualified Chartered Accountant with over 25 years experience in oil and gas services. She has had several financial management positions in her career, including a period in the US. Prior to joining Odfjell Drilling, she worked for Petrofac in the UK as Finance Director. As well as being General Manager, Ms. Stephen also has responsibility for Global Business Services in the UK.



Randi Øverland,
Senior Vice President,
Global Business Services

Appointed to current position in 2022 following eight years' experience at Odfjell Drilling. Ms. Øverland holds a bachelor's degree in finance from the Norwegian School of Economics (NHH) and additional management qualifications from the University of Bergen. With more than 30 years' experience in various management, finance and accounting positions, Ms. Øverland was instrumental in the establishment of the Global Business Services before taking over the division in 2021.



Kurt Werner Holsæter,
Senior Vice President,
Human Resources

Appointed to current position in 2022 following four years' experience at Odfjell Drilling. Mr. Holsæter has a college education within innovation, IT and technology. He is a registered nurse of the national school of nursing and is an ex-Norwegian Army officer. Mr. Holsæter served 15 years in the army in various administrative and management positions. Prior to joining Odfjell Drilling, he was part of the management team in NOV Norway with strategic and operational responsibility for HR in Norway, Denmark and Poland.

Audit Committee Report



Role of the committee

The Audit Committee in Odfjell Technology (the "Committee") is formally appointed by the Odfjell Technology Ltd Board and comprises two non-executive directors, with a diverse range of competence based on their expertise and experience.

Key responsibilities

The Committee's primary function is to assist the Board in fulfilling its responsibilities concerning the Company and the Group in respect of:

- understanding, assessing, and monitoring business and financial risks and risk management systems
- monitoring annual and interim financial reporting along with proposals to ensure its integrity
- overseeing, assessing and reporting on the performance of internal control and external audit activities
- overseeing legal and regulatory compliance
- reviewing and monitoring the selection and independence of statutory auditors, maintaining continuous contact with the appointed auditor regarding auditing of annual accounts and monitoring audit performance
- reviewing arrangements for the confidential raising and investigation of concerns in financial reporting and other matters

- preparing the Board's review of the financial reporting process, and sustainability reporting, providing recommendations or suggestions to ensure integrity of reporting

The Committee operates autonomously of management and refers all views and recommendations to the Board for discussion and resolution after each Committee meeting.

Membership

The Committee consists of two Board members, one of which is considered to be independent and have competence in accounting or auditing. Susanne Munch Thore is chair of the Committee and is independent of the Executive Management of the Company. The CFO acts as secretary of the Committee.

Meetings and attendance

The Committee shall endeavour to hold four meetings a year and interim meetings may be called if required. Members of management, auditors, and others are invited to attend and provide pertinent information, as necessary. As the Odfjell Technology Group was newly formed in 2022, only two meetings were held in line with approval of quarterly reporting. The focus was on accurately prepared quarterly reports, based on consistent use of accounting principles defined by IFRS.

Documentation provided to the Committee as preparation for meetings, include reports, memos and policies provided by accounting, tax, and legal experts, both internal and external.

Matters of interest and concern were promptly reported to the Board where action or improvements were required regarding any aspect of financial reporting, risk management, internal control, compliance, or audit-related activities. The Group's internal controls have been determined by the Committee to be appropriate and effective.

Activities during the year

During the year, the Committee has considered all relevant laws, regulations, codes, and any other applicable rules. They have reviewed tax and compliance activities and matters as well as any material disputes. The Committee has focused on revenue recognition and contingent liabilities, including the use of reasonable assumptions, estimates and judgement.

A compliance plan for 2022 was presented to the Committee, as well as an outline of Enterprise Risk management. The requirements of the Transparency Act introduced in Norway from 1 July 2022 were reviewed and required measures taken to fulfil new requirements, mainly in relation to human rights impact assessments and risk mitigation.

The 2022 Audit plan was presented to the Committee by KPMG, introducing the audit team, and discussing focus areas and audit quality. The Committee oversees the type and volume of other services provided by the audit firm. No indications were found that these services have had a negative impact on the auditor's independence.

How internal control and risk management was assessed

The Committee has used the auditor's report to the Committee as the basis for understanding and improving the internal control systems of the Group, with an audit focus area being potential management override of controls.

An outline of the risk management governance model was presented to the Committee as well as an overview of risks from a macro perspective. The CFO shall ensure internal control in cooperation with the administration and report to the Committee.

Financial statements and accounting practises

The annual financial statements for the year ended 31 December 2022, as well as the external auditor's presentations, management's response, and the auditor's opinion, were reviewed by the Committee. The views of the Committee were communicated to the Board prior to its approval of the financial statements.



Corporate Governance Report

Odfjell Technology Ltd. (the “Company”) is incorporated in Bermuda and is subject to Bermuda law. Its shares are listed on the Oslo Stock Exchange, and certain aspects of its activities are therefore governed by Norwegian law. The Company is managed and controlled from the United Kingdom (“UK”), with the Company’s head office being in Aberdeen, and the majority of the Board being UK resident, resulting in the Company being resident in the UK for tax purposes. The Company is also subject to the laws of the countries in which it operates at any time, as well as international law and conventions.

The Company seeks to comply with the applicable legal framework for companies listed on the Oslo Stock Exchange and endorses the Code of Practice for Corporate Governance issued by the Norwegian Corporate Governance Board, revised 14 October 2021 (the “Code”). This report is prepared in accordance with section 1 of the Code and any deviations from the requirements in the Code are described and explained in this section of the annual report.

The Board of Directors of the Company (the “Board”) is committed to maintaining and adopting good corporate governance practices. The Board has approved a framework of policies which apply across Odfjell Technology Ltd and its subsidiaries (the “Group”). These policies seek to regulate decision making by ensuring that decisions within the Group receive sufficient scrutiny by means of robust processes and that decisions are taken at the appropriate level. The policies are reviewed annually and whenever there is a change of circumstances.

The objectives of the governance framework are to have systems for communication, monitoring and allocation of responsibility and to ensure appropriate management motivation. This will contribute to increasing and maximising the Company’s financial results, support long-term sustainable success, meet ESG goals and increase returns to shareholders on their investments in the Company.

Governance structure

Shareholders exercise their shareholder rights at General Meetings. In accordance with the Company’s Bye-laws, the Board has authority to manage and conduct the business of the Company. In doing so, the Board may exercise all such powers which are not by law or by the Bye-laws required to be exercised in a General Meeting. The Board is therefore responsible for the overall management, strategic direction and supervision of the Executive Management, who carry out the day-to-day management of the Company and Group.

The General Meeting elects the members of the Board. Biographies of the directors can be found in the [Board of Directors section](#).

Board and committee attendance

The Board convened seven meetings during 2022, with actual attendance compared to possible attendance as follows:

Board and committee attendance

	Board Members	Audit Committee
Helene Odfjell	7/7	2/2
Susanne Munch Thore	7/7	2/2
Alasdair Shiach	7/7	N/A
Victor Vadaneaux	6/6	N/A

The Company's business activities

In accordance with common practice for Bermuda incorporated companies, the Company's objects, as set out in its memorandum of association, are wider and more extensive than recommended by the Code. This represents a deviation from section 2 of the Code. The Group's objectives and strategy are described as follows:

The Group was created as a spin-off of the Drilling Operations, Well Services, Engineering and Global Business Services components of Odfjell Drilling Ltd in the Spring of 2022. The Company was listed on the Oslo Stock Exchange on 29 March 2022. The new Group benefits from the transfer of five decades of experience providing support services to the oil and gas industry.

The Group's vision is to use this experience to develop services and operations in the renewables sector while continuing to support the Group's traditional market and grow service offerings, as seen with the addition of the management of the Linus jack-up. Growth will come organically through excellent operations and strong client relationships and strategic growth will come from new services and products. All of this is underpinned by our operations being carried out to the highest environmental and safety standards in the industry. This will be done utilising our ability to implement best practice based on experience and lessons learned. The Group has a zero incident and failures objective and aims to be a trusted and leading partner for its clients.

Our vision of utilising our heritage and expertise to support the energy transition is underway with our investment in Odfjell Oceanwind, who are developing floating offshore wind solutions. Resources have also been committed to researching various fields in the renewables sector to develop a renewables strategy.

The Board is responsible for the Group's annual strategic planning, and determination of objectives, strategies, and risk profile in order to create value for shareholders in a sustainable manner. The Board take account of and refer to these objectives and strategies when taking decisions, as well as financial considerations. The strategies determined by the Board incorporate sustainability items such as environment, social,

governance and stakeholder considerations. Further detail can be read in our [Sustainability Report](#). A framework of operational processes and procedures is in place to support the implementation of the strategies which the Board has established.

Equity and dividends

The Group had book equity of NOK 779 million and a book equity ratio of 25% as of 31 December 2022. The Board regards the Group's present capital structure as appropriate and tailored to its objectives, strategy, and risk profile.

The Company's long-term objective is to make distributions of net income in the form of dividends, and in the future, the Company targets a long-term annual pay-out representing 30-50% of its net profit on a consolidated basis. The payment of dividends will depend on several factors, including market outlook, contract backlog, cash flow generation, capital expenditure plans and funding requirements. It is also dependent on maintaining adequate financial flexibility, as well as restrictions on the payment of dividends under Bermuda law and financial covenants, along with other factors the Board may consider relevant.

Pursuant to Bermuda law and common practice for Bermuda incorporated companies, the Board has wide powers to issue any authorised but unissued shares of the Company on such terms and conditions as it may decide. Any shares or class of shares may be issued with preferred, deferred, or other special rights, or such

restrictions, whether with regard to dividend, voting, return on capital, or otherwise, as the Company may prescribe. This represents a deviation from section 3 of the Code. However, such issuance of shares by the Company is subject to prior approval given by resolution of a General Meeting. Pursuant to Bermuda law and common practice for Bermuda incorporated companies, the Board also has the power to authorise the Company's purchase of its own shares, whether for cancellation or acquiring as treasury shares, and the power to declare dividends. These powers are neither limited to specific purposes nor to a specified period as recommended in the Code.

Equal treatment of shareholders and transactions with close-related parties

The Company has only commons shares which are listed on the Oslo Stock Exchange. Each common share in the Company carries one vote, and all common shares carry equal rights, including the right to participate in General Meetings. All holders of common shares are treated on an equal basis.

As is common practice for Bermuda limited companies listed on the Oslo Stock Exchange, no shares in the Company carry pre-emption rights. This constitutes a deviation from section 4 of the Code.

The Board will arrange for a valuation to be obtained from an independent third party in the event of significant transactions between the Company and its shareholders, a shareholder's parent company, members

of the Board, executive personnel, or closely related parties of any such parties. An independent valuation will also be carried out in the event of transactions between companies within the same group where any of the companies involved have minority shareholders.

Members of the Board and employees must notify the Board if they have a significant (direct or indirect) interest in a transaction carried out by the Company and must also declare any potential conflict of interest on an annual basis. Directors are reminded to declare any such interests at the start of every board meeting. Employees are required to report potential conflicts via an internal portal which is monitored and escalated to the Board if appropriate.

Any transactions the Company carries out in its own shares shall be carried out either through the Oslo Stock Exchange or at prevailing stock exchange prices if carried out in an alternative way. If there is limited liquidity in the Company's shares, the Company shall consider other ways to ensure equal treatment of all shareholders.

Other than as set out above, the Company does not deviate from section 4 of the Code.

Shares and negotiability

The Company's constituting documents do not impose any transfer restrictions on the Company's common shares. The Company's common shares are freely transferable in Norway, provided however, that the Bye-laws include a right for the Board to decline to register a transfer of any share in the register

of members, (or if required, refuse to direct any registrar appointed by the Company to transfer any interest in a share) where such transfer would result in 50% or more of the Company's shares or votes being held, controlled or owned directly or indirectly by individuals or legal persons resident for tax purposes in Norway (or, alternatively, such shares or votes being effectively connected to a Norwegian business activity). The purpose of this provision is to avoid the Company being deemed a "Controlled Foreign Company" pursuant to Norwegian tax rules. This represents a deviation from section 5 of the Code, but the Board does not foresee that this provision will impact on the free transferability of its shares.

Other than this, the Company does not deviate from section 5 of the Code.

General Meetings

The Board seek to ensure that the greatest possible number of shareholders may exercise their voting rights in the Company's General Meetings and that the General Meetings are an effective forum.

The Board ensures that:

- the notice, supporting documents and information on the resolutions to be considered at the General Meeting are available on the Company's website no later than 21 days before the General Meeting is held
- the resolutions and supporting documentation, if any, are sufficiently detailed, comprehensive, and specific to allow shareholders to understand and

form a view on matters that are to be considered at the General Meeting

- the registration deadline, if any, for shareholders to participate at the General Meeting is set as closely as practically possible to the date of the meeting and pursuant to the provisions in the Bye-laws
- the Board and the person who chairs the meeting shall ensure that the shareholders have the opportunity to vote separately on each candidate nominated for election to the Company's Board and committees, if applicable
- the members of the Board and the auditor must be invited to attend the General Meeting
- in accordance with the Bye-laws, the Chair of the Board shall chair the Company's General Meetings unless otherwise agreed by a majority of those attending and entitled to vote. If the Chair of the Board is not present, then a chair of the meeting shall be appointed or elected at the meeting. This represents a deviation from section 6 of the Code

Shareholders who cannot be present at the General Meeting will be given the opportunity to vote using proxies. The Company will in this respect:

- provide information about the procedure for attending via proxy
- nominate a person who will be available to vote on behalf of a shareholder as their proxy
- prepare a proxy form which shall, insofar as possible, be formulated so

that the shareholder can vote on each item that is to be addressed and vote for each of the candidates that are nominated for election.

Other than as mentioned above, the Company does not deviate from section 6 of the Code.

Nomination Committee

The Company does not have a Nomination Committee, and it is acknowledged that this represents a deviation from section 7 of the Code. Given that the Board comprised non-executive directors, and that 75% are considered independent, the Board considers itself able to adequately fulfil the roles and responsibilities ordinarily assigned to a Nomination Committee.

When a need arises to appoint a new or additional director, a careful review of potential candidates will be carried out, considering the need for a diverse mix of skills, talent, and expertise, whilst also being mindful of the importance of independence. Where required, the Chair and/or the Board will also engage the assistance of external advisors to ensure that a broad and balanced composition is maintained.

Other functions performed by a Nomination Committee including, succession planning for senior management, keeping up to date and informed about strategic issues and commercial changes in the market, reviewing the results of Board performance evaluations and overseeing the expectations on non-executive directors in terms of time commitment, are all performed by the Board.

The Board of Directors – composition and independence during 2022

The Board comprised three independent non-executive directors plus the Chair who is also the majority beneficial shareholder. All the members of the Board are independent of the Group's Executive Management and three are independent of the Company's major shareholder.

The Board is comfortable that there is no conflict of interest or compromise to the independence of directors who also serve as directors on Odfjell Technology's subsidiary boards. Further, the Board has

no concerns with the external appointments held by the directors. The Chair of the Board is determined in accordance with the Company's Bye-laws rather than the General Meeting, which is a deviation from the Code.

The Board of Director's section provides further details on each director's background, skills and expertise. As of 31 December 2022 the Board consisted of four members, two male and two female, three of which are UK resident. They possess the relevant expertise, capacity and diversity as set out in the Code and are elected on an annual basis at the AGM. The composition of the Board

ensures they can attend to the common interests of all shareholders and that the Board can function effectively as a collegiate body. The Board exercises proper supervision of the management of the Company and its operations.

Other than described above, the Company does not deviate from section 8 of the Code.

The work of the Board of Directors

The Board schedules in advance eight meetings per calendar year as well as an information meeting. Interim meetings may be convened if a need arises.

The Chair is responsible for ensuring that the Board operates effectively and carries out its duties. She does this with assistance and support from the General Manager and Corporate Secretary.

The agenda for Board meetings is prepared with input and dialogue between the Chair, the General Manager, the Odfjell Technology AS Chief Executive Officer ("CEO"), the Odfjell Technology AS Chief Financial Officer ("CFO") and the Corporate Secretary.



The Board meetings are chaired by the Board Chair unless otherwise agreed by a majority of the directors attending. If the Chair is not present, the directors shall elect among themselves a Chair for the Board meeting. If the Chair has a material interest or involvement in a particular matter to be resolved by the Board, the Board will consider asking another Board member to chair the discussions regarding that particular matter.

The Board has in place a Board charter which clearly defines matters which are reserved for decision by the Board. Delegations by the Board are recorded in Board minutes, resolutions, powers of attorney or service agreements. Subsidiaries and their branches operate within decision making guidelines involving the Board in matters of strategic importance to the Group.

The Board is responsible for the Company's strategic planning, and defining the risk profile for the business by (inter alia):

- identifying and establishing the Company's overriding goals, objectives, and strategies, including approval of plans and budgets
- determining policies, and monitoring and supervising the management and business of the Company
- ensuring that the accounts and the management of Company assets are subject to adequate supervision and are conducted in accordance with applicable legislation

- monitoring, reviewing and approving the annual and interim financial reporting, assessing the performance of internal controls and overseeing the external auditors and legal and regulatory compliance
- taking decisions, endorsing decisions or authorising decisions to be taken, as appropriate, in matters that are of an unusual nature or of importance to the Company and the Group
- assessing the effectiveness of the Company's policies on ethics, conflicts of interest and compliance with competition law; approving various decision guidelines for the Board and any other such manuals as the Board may from time to time adopt

The Board has appointed a General Manager to undertake day to day management and activities of the Company, overseen and supervised by the Board. Group operational activities are delegated to Odfjell Technology AS whose duties and responsibilities are defined in a service agreement.

The General Manager, Odfjell Technology AS CEO and CFO are regular attendees at Company Board meetings. The Board maintains oversight of operational activities through a review of reports presented by the Odfjell Technology AS CEO and CFO. These include operational and strategic updates, monthly financial reports, QHSE status reports, tenders and opportunities updates and quarterly and full-year results. Updates on risk and ESG are given throughout the year.

The Board has no member elected by and from the employees. The Board charter is equivalent to written instructions on the work of the Board and determination of matters which must be considered by the Board.

The Board has established an Audit Committee, whose duties include supervising and reviewing the Group's annual and interim financial reporting. This committee consists of two Board members, one of which is considered to be independent.

The Company has not established a Remuneration Committee, which is a deviation from section 9 of the Code, but it should be noted that no member of Executive Management is represented at the Board. Accordingly, the Board has not considered such committee to be necessary because decisions regarding compensation of Executive Management can be decided by the whole Board without executive involvement at Board meetings. The Board has not established any other committees.

The Board undertook a self-evaluation in December 2022 and reviewed the results in January 2023.

An annual review of directors' interests is undertaken, and directors are reminded to declare any potential conflicts at the start of every Board meeting. A register of directors' interests is maintained.

Other than described above, the Company does not deviate from section 9 of the Code.

Risk management and internal controls

The Board recognises its responsibility to secure appropriate risk management systems and internal controls.

The Company has comprehensive corporate manuals and procedures for all aspects of managing the operational business. These are continuously revised to incorporate best practice derived from experience or regulatory requirements and changes.

Routines have been established to provide frequent and relevant management reporting on operational matters. The Board is continuously updated on both the capital and liquidity situation and the performance of the business. This ensures adequate information is available for decision-making and allows the Board to respond quickly to changing conditions and requirements.

The Company has established clear and safe communication channels between employees and management to ensure effective reporting of any illegal or unethical activities in the Company, via a whistle-blower reporting portal. More information on this is contained within the [Sustainability Report](#).

These measures ensure that considerations related to the Company's various stakeholders are an integrated part of the Company's decision-making processes and value-creation.

The Board also recognises its responsibilities with regards to the Group's values and guidelines for ethics

and corporate responsibilities. Core values reflect the Group's focus on commitment, safety consciousness, creativity, competency, and result orientation. Guidelines for the behaviour of Group representatives are outlined in Odfjell Technology's Ethical Principles and described in detail in the Code of Business Conduct. The core values and Code of Business Conduct are available on www.odfjelltechnology.com.

Further information on risk management systems and internal controls can be read within the [How we manage risk section](#) and in the [Board of Directors Report](#).

The Company does not deviate from section 10 of the Code.

Remuneration of the Board of Directors

The remuneration of the Board is decided by the shareholders at the AGM of the Company. The level of compensation to the Board reflects the responsibility, expertise, and level of activity in both the

Board and any committees. Remuneration is not linked to the Company performance and the Company does not grant share options to members of the Board.

During the year, consulting services were provided by Centerra Management UK LLP, a firm which one of the directors, Victor Vadaneuax is a member of. A total of £5,000 was spent on consulting services to give a high level review of the business. Other than that, none of the members of the Board and/or companies with whom the Board members are associated, have taken on specific assignments for the Group in addition to their appointments as members of the Board in 2022.

More detailed information can be found in the [Executive Remuneration Report](#).

The Company does not deviate from section 11 of the Code.

Remuneration of the Executive Management

Pursuant to Bermuda law and common practice for Bermuda incorporated

companies listed on the Oslo Stock Exchange, the Board determines the remuneration of the Executive Management of the Company. Details for the financial year 2022 can be found in the [Executive Remuneration Report](#).

Guidelines for the remuneration of Executive Management can be found in the Executive Remuneration Policy which is available on our website www.odfjelltechnology.com and will be tabled for approval at the AGM. The policy for executive remuneration looks to use performance related remuneration by way of a variable bonus capped at 100% of salary and share option schemes for certain executives. The Remuneration Policy is set to attract and retain Executive Management of sufficient calibre. It also aims to align with shareholder's interests and the Company's strategy, long term interests and financial viability.

Currently, the determination of variable bonuses is made by the Board at a holistic level, rather than by analysing detailed components with weightings, criteria, targets and performance achieved ratings.

Other than as highlighted above, the Company does not deviate from Section 12 of the Code.

Information and communication

The Company has established guidelines for reporting to the market and is committed to providing timely and precise information to its shareholders, Oslo Stock Exchange and the financial markets in general, through the Oslo Stock Exchange information system. Such information is given in the form of annual reports, quarterly reports, press releases, notices to the stock exchange and investor presentations.

Within these communications, the Company attempts to clarify its long-term potential, including strategies, value drivers and risk factors. The Company maintains an open and proactive policy for investor relations. Detailed investor relations information, including contact information, is available on the Company website.



The Company publishes an annual electronic financial calendar with an overview of the dates of important events such as the AGM, publishing of interim reports and financial stock market presentations.

The Company discloses all inside information as legally required unless exceptions apply and are invoked. The Company will provide information about certain events, e.g. dividends, amalgamations, mergers/demergers, changes to the share capital, issuing of subscription rights, convertible loans and all agreements of major importance that are entered into by the Company and related parties.

The Company has considered communication with shareholders to ensure that relevant information is shared with them. Such communication is carried out in compliance with the provisions of applicable laws and regulations. Shareholders can communicate with the Company through Q&A sessions on quarterly calls and by contacting the Investor Relations Officer

Information to the Company's shareholders is posted on the Company's website at the same time that it is made available to shareholders. Shareholders can contact the Company using a dedicated Investor Relations e-mail address (IROTL@odfjelltechnology.com).

The Company does not deviate from section 13 of the Code.

Take-overs

The Company will follow key principles from the Code for how to act in the event of a take-over offer. In such an event, the Board will ensure that the Company's shareholders are treated equally and that the Company's activities are not unnecessarily interrupted.

The Board will also ensure that the shareholders have sufficient information and time to assess the offer.

The Board will abide by the principles of the Code, and shall:

- ensure that the offer is made to all shareholders, and on the same terms
- not undertake any actions intended to give shareholders or others an unreasonable advantage at the expense of other shareholders or the Company
- strive to be transparent about the take-over situation
- not institute measures which have the intention of protecting the personal interests of its members at the expense of the interests of the shareholders
- be aware of the particular duty the Board carries for ensuring that the values and interests of the shareholders are safeguarded

The main underlying principles shall be that the Company's common shares shall be kept freely transferable and that the Board and the Company shall not establish any mechanisms which can prevent or deter take-over offers unless this has been decided by the General Meeting in

accordance with applicable law. This includes only entering into agreements with a bidder to limit the Company's ability to arrange other bids if it is in the interests of the company and its shareholders. Payment of financial compensation to a bidder if the bid does not go ahead should be limited to costs incurred by the bidder.

If an offer is made for the Company's common shares, the Board shall issue a statement evaluating the offer and making a recommendation as to whether the shareholders should accept. If the Board finds itself unable to give a recommendation, it should explain the reasons for this. In the statement, it should be clear whether the views expressed are unanimous, and if this is not the case, explain why specific members of the Board do not concur.

The Board shall consider whether to arrange a valuation from an independent expert. If the bidder is a member of the Board, close associate of a member, or someone who has recently been a member of the Board but has ceased to hold such a position or has a particular personal interest in the bid, the Board shall arrange an independent valuation. This shall also apply if the bidder is a major shareholder (as defined herein [Note 34 - Related parties - transactions, receivables, liabilities and commitments](#)). Any such valuation should either be enclosed with the Board's statement or reproduced or referred to in the statement.

The Company does not deviate from section 14 of the Code.

Auditors

The Group have appointed KPMG as the Company auditor. The 2023 AGM will approve the continuation of the auditor. The shareholders will be requested to authorise the Board to determine the auditor's annual remuneration.

The auditor will participate in a meeting of the Board when the annual accounts are presented. During this meeting, the executive personnel leave to allow the Board time with the auditor alone.

Highlights of the audit plan were presented by the auditors to the Audit Committee. The auditor also presents a review of the Company's internal control procedures, including identified weaknesses and proposed improvements.

Processes are in place to ensure that the Company does not utilise the services of the appointed auditor for advice beyond certain thresholds determined by the Board and in law.

At the AGM, shareholders give authorisation to the Board to determine the remuneration of the auditors. Details of fees paid to the auditor, including details of the fee paid for auditing work and any fees paid for other specific assignments can be found in [Note 34 - Related parties - transactions, receivables, liabilities and commitments](#).

The Company does not deviate from section 15 of the Code.

Executive Remuneration Report



Introduction

The Board of Directors present the Remuneration Report for 2022, which is prepared in accordance with Section 6-16 of the Norwegian Public Limited Liability Companies Act and the guidelines contained within the Norwegian Corporate Governance Board Code of Practice. It follows the Group Remuneration Policy adopted following the spin-off of Odfjell Technology from Odfjell Drilling.

This policy, which can be found at www.odfjelltechnology.com, will be tabled for approval at the first Annual General Meeting of Odfjell Technology in 2023 and subject to an advisory note. The statement covers the remuneration of the Board of Directors and Executive Management. The objective is to present a clear and understandable analysis of executive remuneration and how this is linked to Company performance.

The objective of the policy is to ensure remuneration packages for executives are aligned with the Company's values, business strategy, and long-term interests, to create value for shareholders. Executive remuneration should be set at a competitive level to attract, retain, and motivate suitably qualified and experienced executives of a calibre who will deliver the Company's strategic objectives. As well as enhancing the future economic situation, the remuneration policy should also ensure environmental, sustainability and governance objectives are delivered.

The first year of the Group delivered a strong financial performance and net profit of NOK 253 million. The Group has good visibility of future revenue through backlog from long term contracts and has a leverage ratio of 1.2.

Highlights

Key events affecting remuneration

The 2022 EBITDA of NOK 673 million reflects the cost discipline and efficient operations being delivered by the Group. Backlog stands at NOK 11 billion at the end of 2022 and a positive net cashflow from operating activities of NOK 567.7 million was generated in the year.

QHSE performance improved in most categories. The Group maintains a constant focus on ensuring the safety of those working for us. Through collaboration, employee engagement and communication, and optimal resource management, the Executive Management have established a successful Group following the spin-off from Odfjell Drilling. For these reasons, the Board approved the payment of bonuses for 2022.

Key changes in Directors and Executive Management

The directors appointed upon the formation of the Odfjell Technology Group can be found in [the Board of Director's section](#). Three of the directors were previously directors of Odfjell Drilling Ltd. The independent director, Victor Vadanaux was appointed as the fourth. Simen Lieungh and Jone Torstensen transferred from Odfjell Drilling AS as the CEO and CFO respectively of Odfjell Technology AS. Diane Stephen became the General Manager of Odfjell Technology on a part-time basis.

Changes to policy or its application

There were no changes to or derogation from the policy during the year.

Overview

Remuneration of the Board of Directors

Set out below are details of the fees accrued for directors for the period April to

December 2022 and shares in the Group held by directors as at 31 December 2022. As this is the first year of the Odfjell Technology Group there are no prior year comparatives.

Director's fees are not linked to the performance of the Company or share options and will be approved at the AGM.

Name of Director and position NOK thousands	Year	Board Fees	Chair fees	Audit committee	Other Directorships	Total Remuneration	No of shares owned
Helene Odfjell, Non-Executive Director and Chair	2022	281	281	38		600	23,825,396
Susanne Munch Thore, Non-Executive Director	2022	281		75		356	500
Alasdair Shiach, Non-Executive Director	2022	281			38	319	-
Victor Vadaneaux, Non-Executive Director	2022	281				281	16,563

1. Includes shares held by related parties

2. Payments are made for additional roles such as chair, committee membership or directorship of subsidiaries. They are reflective of the time commitment required by the directors.

3. Other than reimbursement of expenses incurred in fulfilling their duties, there are no other elements of remuneration.

4. Amounts shown are for the period 29th March to 31 December 2022, with no prior year comparatives as this was the first year for these positions

Remuneration of Executive Management

The table below shows the fixed and variable elements of remuneration to Executive Management employed at any point within the Group for the current reporting period from April to December 2022.

It should be noted that assessment of the performance of Executive Management against the criteria set out in their Personal Business Commitments (PBC) is done on a holistic level when determining the level of variable bonuses. For this reason the report does not analyse detailed components with weightings, criteria, targets and performance achieved scores.

Name of Director/Executive and position	Year	Fixed remuneration			Variable remuneration			Pension expense	Total remuneration	Proportion of fixed remuneration	Proportion of variable remuneration
		Base Salary	Fees	Fringe benefits	One-year variable	Multi-year variable	Extraordinary items				
Remuneration of Executive Management for the reported financial year from the company (Odfjell Technology Ltd) -NOK thousands											
Diane Stephen, General Manager Odfjell Technology Ltd	2022	688		40	142			36	906	84%	16%
Remuneration of Executive Management for the reported financial year from undertakings of the same group - NOK thousands											
Simen Lieungh, CEO Odfjell Technology AS	2022	4,018		175	375			99	4,667	92%	8%
Jone Torstensen, CFO Odfjell Technology AS	2022	2,009		174	1,800			100	4,083	56%	44%

1. Base salary - Set at a competitive rate reflecting the responsibilities of the role, the skills and experience of the individual and market conditions for the industry.

2. Fringe benefits - includes car allowances (in line with rates set across the manager population), private medical healthcare, life and income protection insurance, etc, all of which are in line with the benefit packages offered to the general employee population in the jurisdiction they are employed in.

3. Variable remuneration - The criteria and measurement for bonus payments are aligned to both Company performance against targets and an individual's personal performance and are set out in annual Personal Business Commitments (PBC). Criteria for Company performance include achieving financial, strategic, and other targets as set in the PBC. Criteria for personal performance in PBCs are based on: QHSE results and improvement over previous year, employee satisfaction within area of responsibility, demonstration of a holistic approach to Company challenges, encouraging collaboration across the Company, optimal resource and competence management, being visible, accessible, and acting as a role model, and efficient and clear communication and provision of information in own area. The one-year variable bonus payments are capped at 100% of fixed annual salary and there are no reclaim provisions.

4. The General Manager is employed by Odfjell Technology Ltd and amounts disclosed represent a 50% part-time basis.

5. Pension – Executive Management participate in the same pension plan, on the same terms, as all other employees in the jurisdiction they are employed in.

6. Amounts shown are for the period 29th March to 31 December 2022, with no prior year comparatives as this was the first year for these positions. Figures for January to March can be found in the Odfjell Drilling Ltd Executive Remuneration Report.

Executive Management share ownership and terms as at 31 December 2022

Name and position of Executive Management	Shares owned	Notice period & severance pay entitlement	Pension scheme
Diane Stephen, General Manager Odfjell Technology Ltd	0	6 months	Standard UK defined contribution scheme
Simen Lieungh, CEO Odfjell Technology AS	40,000	6 months + 12 months severance pay	Standard Norway defined contribution pension scheme
Jone Torstensen, CFO Odfjell Technology AS	5,000	6 months + 6 months severance pay	Standard Norway defined contribution pension scheme

Share options awarded or due to Executive Management

The intention of the share programme described below, is to link reward to the creation of value for shareholders through increased share price.

The main conditions of share option plans	
Specification of plan	The programme grants the option to purchase common exercisable shares in three equal tranches. The Company can choose to settle the options by a cash payment
Performance period	3 years
Award date	27.06.2022
Vesting date	27.06.2023 27.06.2024 27.06.2025
End of holding period	04.07.2025
Exercise period	The Option Holder may only exercise the vested shares in each relevant Tranche of Options in full and within 5 working days after each Vesting Date. Any Tranche of Options not exercised in an Exercise Period can be carried forward and exercised in a future Exercise Period. Any options not exercised by the end of the period will be terminated.
Strike price of the share	NOK22.31

1. As at 31 December 2021 there were no share options subject to a performance condition or to a holding period

Information regarding the reported financial year	Simen Lieungh, CEO Odfjell Technology AS	Jone Torstensen, CFO Odfjell Technology AS
Opening balance		
Share options awarded beginning of year	-	-
Share options vested	-	-
During the year		
Share options awarded	900,000	300,000
Share options vested	-	-
Closing balance		
Share options vested	-	-
Share options awarded and unvested	900,000	300,000



Comparison of remuneration and Company performance over time

As this is the first year of the Odfjell Technology Group, the table below only shows information for 2022.

	2022
Director's and Executive's remuneration - NOK thousands	
Helene Odfjell, Non-Executive Director and Chair	600
Susanne Munch Thore, Non-Executive Director	356
Alasdair Shiach, Non-Executive Director	319
Victor Vadaneaux, Non-Executive Director	281
Diane Stephen, General Manager Odfjell Technology Ltd	906
Simen Lieungh, CEO Odfjell Technology AS	4,667
Jone Torstensen, CFO Odfjell Technology AS	4,083
Group Performance -NOK millions	
EBITDA	673
Net profit	253
Backlog	11,000
Leverage ratio	1.2X
Average remuneration¹ on a full-time equivalent basis of employee - NOK thousands	
Employees of the Company	2,308
Employees of the Group	870
<i>1. Average remuneration includes salary, benefits, bonus and employer pension contributions</i>	



Board Of Directors Report



Odfjell Technology Ltd. (the “Company”) is the ultimate parent company of the Odfjell Technology group, comprised of the Company and its subsidiaries (the “Group”). Offering integrated offshore operations, well services technology and engineering solutions, the Group brought with it five decades of experience when it spun off from Odfjell Drilling in March 2022. The spin-off was facilitated through legal transfers of the business activities from Odfjell Drilling. In these consolidated financial statements the transfers are presented as transactions under common control using the book value method. In addition, prior-periods comparative information has been presented as if the legal structure of Odfjell Technology Ltd, after taking into account the legal transfers of the business activities, had already existed in the past.

Business and market overview

History

Odfjell Drilling was founded in 1973 and began operating as a drilling contractor in 1974. In 2022, it made the strategic move to split the company, with Odfjell Drilling continuing to operate mobile offshore drilling units and the Well Services, Energy and Global Business Services areas being spun off into a new group under Odfjell Technology Ltd, with its own listing on the Oslo Stock Exchange on 29 March 2022.

While 2022 is the first year of the newly formed Odfjell Technology Group, it is built on a solid reputation as a trusted partner and services supplier, focused on delivering safe, efficient and sustainable operations.

The Group has extensive contracting experience in all aspects of drilling operations, well services and engineering work. With activities in 30 countries, the Group is an international business, supporting a client base consisting primarily of major oil and gas companies. Our vision is to use our heritage and expertise to support the energy transition. The Group will invest in researching renewables opportunities and supporting clients in their net zero ambitions.

Corporate structure

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

Information regarding related parties can be found at [Note 34 - Related parties - transactions, receivables, liabilities and commitments](#).

The Group is organised into three main business segments:

- Well Services
- Operations (previously Drilling Operations)
- Projects & Engineering (previously Engineering)

Corporate Strategy

The mission of Odfjell Technology is to safely deliver services and technology which reduce time, costs, and carbon emissions. Combining 50 years of industry experience with the technology of tomorrow, we develop solutions for the changing energy market,

chosen by clients for our expertise and reputation. Quality, Health, Security, Safety and Environment Management are of paramount importance to Odfjell Technology, and we strive for high quality performance and safe and secure operations through continuous improvement programmes. We aim for organisational robustness, zero injuries and failures, strong cyber and physical security, delivered by a competent and motivated workforce.

Our onshore support centres work collaboratively in real time with our operations teams. This philosophy defines the team-focused nature of the Group.

We have a clearly defined process for developing and managing strategic direction which involves analysis, planning, monitoring, and execution. Our corporate strategy and business model is explained in more detail in the [Strategic Report](#).



Odfjell Technology has adopted five core values that help define and instruct our business.

Equity and shares

The Group had book equity of NOK 779 million and a book equity ratio of 25% as at 31 December 2022.

The Company has only one class of shares. Each common share in the Company carries one vote, and all common shares carry equal rights, including the right to participate in General Meetings. All shareholders are treated on an equal basis.

The [shares and negotiability](#) section of the Corporate Governance Report details the transferability of common shares.

The number of ordinary shares issued in Odfjell Technology Ltd. as at 31 December 2022 is 39,463,867

On 27 June 2022, the Company implemented a long term incentive share option plan. A total of 1,995,000 options have been awarded to certain of its employees at strike prices from NOK 22.31 to NOK 24.13 per share.

The Company is not aware of any shareholder agreements or any other agreements which limit trading of the Company's ordinary shares or voting rights as at 31 December 2022.

Taxation

The Company and a number of its subsidiaries, are governed from and tax resident in the United Kingdom. Three out

of four directors of the Company are UK residents. The Company has published its tax strategy on its website in compliance with the UK Finance Act 2016 Schedule 19.

The overall aim of the tax strategy is to support the business by maintaining a sustainable tax rate, while mitigating tax risks and complying with rules and regulations in the applicable jurisdictions in which Odfjell Technology operates.

The Group maintains internal policies and procedures to support its tax control framework and provides training to its personnel to manage tax risks.

The tax strategy aligns to the Group's wider risk and control framework. Key risks and issues related to tax are escalated to and considered by the Group Audit Committee and Board of Directors on a regular basis.

The Group operates in approximately 30 countries and is exposed to a variety of tax risks as follows:

- Tax compliance and reporting
- Transactional
- Reputational

Tax risks are managed by the Audit Committee. Where appropriate, the Group looks to engage with tax authorities to disclose, discuss and resolve issues, risks, and uncertain tax positions. The subjective nature of global tax legislation means that it is often not possible to mitigate all known tax risks. As a result, at any given time, the Group may be exposed to financial and reputational risks arising from its tax affairs.

The Group acknowledges its responsibility to pay the level of tax required by the laws of the jurisdictions in which it operates and also its responsibility to its shareholders to structure its affairs in an efficient manner.

The Group seeks to comply with its tax filing, tax reporting and tax payment obligations globally and to foster good relationships with tax authorities.

Focus areas

During 2022, Odfjell Technology has been developing strategic plans and exploring growth and diversification opportunities. We have initiated projects to ensure that we adapt to changes in the energy market. Odfjell Technology strives to be competitive in everything that we do and to be resilient to external factors affecting the market.

Environment, Social and Governance (ESG)

ESG is one of our top priorities and following the spin-off of the Odfjell Technology Group we are developing our ESG strategy and a reporting framework. The Global Reporting Initiative framework is used to drive continuous improvement in ESG efforts, and our focus is on creating clear ESG ownership in all Business Areas and functions. 2022 saw two major projects on human rights and climate risk being undertaken. The Group will publish a Human Rights Statement in line with the Transparency Act by 30th June 2023. In the meantime, reference can be made to

the human rights section of our website - [Human rights - Odfjell Technology](#) and also to the 2021 Modern Slavery Statement published under Odfjell Drilling prior to the spin-off of Odfjell Technology [Modern slavery statement - Odfjell Drilling](#).

Gender pay gap reporting for Norway and the UK, prior to its spin-off from the Odfjell Drilling Group, can also be found on the Odfjell Drilling website, [Gender pay gap - Odfjell Drilling](#) until such time that Odfjell Technology publishes its first statements in line with reporting requirements.

More detail on these matters can also be read in our [Sustainability Report](#) which is available at www.odfjelltechnology.com.

For details on Executive remuneration, please refer to our [Executive Remuneration Report](#).

Growth

The general situation for the global oil service industry is expected to improve as a result of under-investment in the sector in recent years. The supply of oil and gas is too low to meet expected demand, therefore an increase in investments and activity is vital to bridge the increasing energy demand as new energy sources take time to implement. The increase in drilling activity and field investments is expected to increase demand for our services.

We have established a strong presence in the North Sea with efficient operations and strong client relationships, which we

expect to capitalise on further. We see opportunities to grow in the decommissioning plug and abandonment area, particularly in the UK.

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

Diversification

With the move to sustainable energy sources, we are researching opportunities to diversify into renewables or other sectors supporting the emerging energy markets. Our skills and experience lend themselves to certain areas, and already we have ventured into offshore wind through our investment in and support given to Odfjell Oceanwind.

Segment Overview

Activity for the three main business segments is summarised below.

Well Services

Well Services provides the most up to date technology available for hands-free tubular running operations, high specification drilling tubulars and market-leading downhole tools. In addition, we have a vast inventory of equipment and our in-house engineering is highly specialised in the development of new technology. 2022 saw us develop and install our new Continuous Circulation System (CCS) for the Deepsea Aberdeen.

Our business has a global presence with 15 offices and operating bases servicing contracts in around 30 countries, positioning Well Services as a leading provider in the front line of our industry. With approximately 290 clients worldwide, we service a range of sectors, mainly oil and gas, but also including hydrogen and geothermal.

2022 has seen growth in the business with entry into new geographical markets and high recruitment levels.

Operations (previously Drilling Operations)

Operations secured further firm backlog in 2022 with contract extensions and the exercising of options. The most significant development in 2022 was the signing of a management services contract for the Linus jack-up drilling rig which takes us into a new market. Collaboration across all Odfjell Technology Business Areas is key to delivering value to clients, and we work in a number of alliances. We continue to provide, integrated drilling services including onshore support, production drilling and completion, well maintenance, facility maintenance planning and plugging and abandonment which is a service we will be focussing on in 2023.

Projects & Engineering (previously Engineering)

Projects & Engineering continue to build their competency to offer a range of services including feasibility and concept studies, Front End Engineering Design

(FEED), pre-FEED, subsea services and integrity and inspection. Our differentiator is our close link to operations which means we bring an operational perspective to the process, defining scope, designing the engineering solution and managing the project execution and installation. A growing offering is the Energy Efficiency service, assisting asset owners to map energy consumption and carbon emissions and providing advice on optimising energy consumption and reducing emissions, through changes in processes, technology etc.

More detail regarding the activities of each business segment can be found in the [Strategic Report](#).

Outlook

We see a positive outlook for 2023 with demand and pricing in all our markets indicating a cycle upturn. Activity is increasing, and we are seeing more tenders and inquiries. In particular, we see Well Services increasing in the Middle East and Europe. Developing new technological solutions such as the recent Continuous Circulation System, keeps us at the forefront of our industry.

The solid backlog in Operations gives us predictability and there is opportunity to increase our integrated services provision to current clients.

There is a large volume of Special Periodic Survey (SPS) activity coming up for Projects & Engineering in the next two years, which is an area we excel in.

The energy transition is key to the future of all, but there is a gap between supply of renewable energy and demand. Oil and gas is therefore expected to remain a vital part of the energy mix in the foreseeable future.

The key word is "transition" and Odfjell Technology will focus on how we use our expertise in contributing to the move towards renewable energy. As well as our investment in Odfjell Oceanwind to develop mobile offshore wind, we are also researching a number of other renewable fields to determine our renewables strategic direction. We already use our Well Services skills in sectors such as geothermal.

Together with Operations and Projects & Engineering, there is significant growth potential in the UK decommissioning market, as infrastructure comes to the end of its operational life. More than 2,000 wells in the UK are likely to be permanently abandoned over the next decade and plug and abandonment represents a significant proportion of decommissioning spend. Our culture of being adaptable, innovative and focussed on continual improvement will stand us in good stead in the transitioning energy market.

Financial Reviews

Consolidated Accounts

(Comparable figures in brackets, based on predecessor combined financial figures, see Note 2 for more information)

Income Statement

Odfjell Technology generated operating revenue of NOK 3,885 million in 2022 (NOK 2,948 million), an increase of NOK 937 million. There is increased revenue in all the segments from 2021 to 2022.

Total operating expenses were NOK 3,514 million (NOK 2,830 million), an increase of NOK 684 million. Personnel expenses increased by NOK 485 million mainly due to increased number of personnel and higher hired personnel cost.

The operating profit (EBIT) amounted to NOK 384 million (NOK 125 million), an increase of NOK 259 million. There is an increase in all the segments, but the main contributor is Well Services. The increased EBIT in the segments are partly offset by increased overhead costs

Net financial expenses amounted to NOK 138 million (NOK 17 million). The increase in net expenses of NOK 121 million was mainly explained by interest expenses on debt issued in 2022 and increased net currency loss in 2022 compared to 2021.

The income tax expense was positive with NOK 26 million (positive with NOK 9 million) mainly due to utilisation of unrecognised tax losses in relation to group contribution received from the Odfjell Drilling Group in Q1 2022.

Net profit for the Group was NOK 253 million (NOK 112 million). Total comprehensive income was NOK 403 million (NOK 191 million).

Balance Sheet

Consolidated total assets as at 31 December 2022 amounted to NOK 3,115 million (NOK 3,920 million), a decrease of NOK 805 million mainly due to the re-organisation and establishment of the Odfjell Technology Group, which significantly impacted certain receivables from the Odfjell Drilling Group. Total non-current assets amounted to NOK 1,466 million (NOK 1,149 million). Current assets amounted to NOK 1,648 million (NOK 2,771 million), of which NOK 560 million was cash and cash equivalents (NOK 498 million).

Total equity amounted to NOK 779 million. The equity in the reported 2021 periods are not comparable as these are based on carve-out combined financial statements. The equity ratio was 25%.

Total liabilities amounted to NOK 2,336 million (NOK 958 million), reflecting an increase in interest-bearing borrowings of NOK 1,340 million as the Group issued interest-bearing borrowings in Q1 2022 in order to acquire shares in subsidiaries. Net interest bearing debt (excluding lease liabilities) amounted to NOK 780 million. In addition, lease liabilities (IFRS 16 Leases) amounting to NOK 127 million (NOK 108 million).

Cash Flow

Cash flow from operating activities amounted to NOK 568 million (NOK 369 million). The variance of NOK 184 million from EBIT in 2022 is mainly explained by depreciation, amortisation and impairment, offset by interest paid.

Net cash outflow used in investing activities amounted to NOK 2,705 million (NOK 438 million). In 2022, NOK 2,343 was spent on purchase of shares in subsidiaries and to acquire interests in joint-ventures, and a subordinated mandatory convertible loan of NOK 35 million was paid out to the joint-venture. The remaining cash outflow was mainly due to purchases of Well Services equipment.

Net cashflow from financing activities amounted to NOK 2,200 million (NOK 446 million). In 2022 the Group had proceeds of NOK 1,296 million from external borrowings. As part of the reorganisation of the group, there was also a cashflow of NOK 1,057 million from the Odfjell Drilling cash pool, and proceeds from capital increases of NOK 45 million, and the Group paid dividends of NOK 177 to the Odfjell Drilling Group.

Critical accounting estimates

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.

There is use of judgement in the Group's revenue recognition, as well as in the considerations related to recognition of deferred tax asset for carried forward tax losses, and considerations related to contingent liabilities.

Please refer to [Note - 4 Critical accounting estimates and judgements](#) in the Consolidated Financial Statements for further information.

Parent Company accounts

The business of the Parent Company, Odfjell Technology Ltd., is as a holding company for investments in subsidiaries. The Company was only incorporated in December 2021, and therefore did not have any activity in 2021.

The Parent Company reported an operating loss (EBIT) of NOK 23 million mainly due to legal fees and financial assistance.

The Parent Company reported a share of losses from joint venture Odfjell Oceanwind of NOK 19 million.

The Parent Company reported net financial expenses of NOK 134 million, mainly related to interest expenses amounting to NOK 101 million. In addition, the Company had net currency loss of NOK 28 million mainly related to the USD 25 million revolving credit facility.

The Parent Company reported a net loss of NOK 176 million.

Total assets in the Parent Company amounted to NOK 2,691 million as at 31 December 2022, mainly related to investments in subsidiaries and joint ventures.

Equity in the Parent Company amounted to NOK 931 million (NOK 88 thousand), corresponding to an equity ratio of 35%.

Cash flow used in operating activities was NOK 109 million. The variance of NOK 86 million from EBIT in 2022 is mainly explained by interest paid.

Cash flow used in investing activities was NOK 1,030 million. NOK 2,327 was spent on purchase of shares in subsidiaries and to acquire interests in joint-ventures, and a subordinated convertible loan of NOK 35 million was paid out to the joint-venture. The Company also received dividends from subsidiaries of NOK 1,036 million, and had proceeds from sale of shares and current cash pool of a total of NOK 297 million.

Cash flow from financing activities was NOK 1,340 million. The Company had proceeds of NOK 1,296 million from external borrowings and proceeds from capital increases of NOK 45 million.

Segment reporting

Well Services

Operating revenue for Well Services in 2022 was NOK 1,365 million (NOK 996 million) an increase of NOK 369 million. All regions continue to experience increased levels of activity. Key drivers are commencement of new contracts in Norway, Middle East and Asia, also a notable recovery in European markets post COVID-19. EBITDA for the segment was NOK 485 million (NOK 258 million) an increase of NOK 227 million with corresponding EBITDA margins of 36% (26%). Increased activity, a shift towards higher margin product offerings and results from cost initiative programmes all continue to contribute to the increase in EBITDA and margin. EBIT for the segment FY 2022 was NOK 226 million (NOK 47 million).



Operations (previously Drilling Operations)

Operating revenue for Operations in 2022 was NOK 1,904 million (NOK 1,506 million), an increase of NOK 398 million mainly due to higher activity level and the commencement of a jack-up management from September 2022.

EBITDA for the segment was NOK 157 million (NOK 101 million), an increase of NOK 56 million. The EBITDA margin for the Operations segment in FY 2022 was 8% (7%). The drivers for the increase are high financial performance on existing contract portfolio and start-up of jack-up management from September 2022.

EBIT for the segment equals EBITDA.

Projects & Engineering (previously Engineering)

Operating revenue for Projects & Engineering in 2022 was NOK 581 million (NOK 358 million), an increase of NOK 223 million. This is mainly explained by increased sales volume within both the existing client portfolio and new opportunities that we have started delivering on in the latter parts of 2022.

EBITDA for the segment was NOK 72 million (NOK 20 million), an increase of NOK 52 million. The EBITDA margin for the segment was 12% (6%).

EBIT for the segment equals EBITDA.

Risk review

Operational and industrial risk factors

The Group provides well services equipment, drilling operations and maintenance services, and engineering services, primarily for the oil and gas industry, which historically has been cyclical in its nature. The oil service market has developed positively in recent years due to a strong focus on cost discipline and more efficient operations, combined with a healthier oil price development. The focus on alternative energy sources and the overall future mix of energy remains strong. The transition into greener energy sources is expected to impact the energy market in the coming decades, however the need for continued exploration and production of oil and gas is viewed as vital, and it has become more apparent recently.

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

The Group seeks to mitigate these risks by securing contracts with reputable clients, preferably long term, for its services. All offshore contracts are associated with risk and responsibilities, including technical, operational, commercial, and political risks.

Factors that, in the Group's view, could affect its results materially include: 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.

Financial risk factors

The Group is exposed to a range of financial risks: liquidity risk, market risk (including currency risk, interest rate risk, and price risk), and credit risk. The financial risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. To some extent, the Group uses derivative financial instruments to reduce certain risk exposures. Risk management is carried out on a Group level. The Group identifies, evaluates and hedges financial risks in close co-operation with the Group's operational units. The board of Odfjell Technology Ltd. has established principles for risk management of foreign exchange risk, interest rate risk and use of derivative financial instruments.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of credit facilities and to have sufficient cash or cash equivalents at any time to be able to finance its operations and investments in accordance with the Group's strategic plan.

Odfjell Technology held cash and cash equivalents amounting to NOK 560 million at the end of 2022. This is deemed to be sufficient funding for the Group's current activity levels and committed capital expenditures during 2023.

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

The liquidity risk is connected with the market risk and the re-contracting risk for the segments. The management continuously focuses on securing new profitable contracts to generate sufficient cash flow from operations, hence reducing the liquidity risk going forward.

Operating in more than 30 jurisdictions, Odfjell Technology do from time to time receive enquiries from authorities about compliance related matters. Refer to [Note 30 - Contingencies](#) regarding notice of a decision received 1 October 2021 from HM Revenue and Customs in the UK which has been appealed. The Group has at 31 December 2022 not received any other formal material assessment which is not disclosed in the financial statements.

Market risk

Market risk is the risk of a change in market prices and demand, as well as changes in currency exchange rates and interest levels.

Firm periods in the contract backlog provides a level of security for the near future.

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various exposures to currency fluctuations, primarily with respect to USD and NOK. The Group seeks to minimise these risks through natural hedging by balancing the currency in and out flow and will use financial hedging instruments if required.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's senior secured bond, based on NIBOR and the RCF based on USD Secured Overnight Financing Rate. The Group evaluates the level of interest rate hedging based on assessment of the Group's total interest rate risk and currently has a combination of fixed and floating interest rates in order to limit exposure. The Board of Directors regularly considers the interest payment hedging of the external financing and mandates administration to execute necessary changes.

Including interest rate swaps entered into, the fixed-rate portion of the Group's interest bearing debt as at 31 December 2022 is approximately 29%.

Credit risk[†]

The current main market for the Group's services is the offshore oil and gas industry, and the clients consist primarily of major international oil companies, independent oil and gas producers and government owned oil companies. The Group performs ongoing credit evaluations of clients and generally does not request material collateral. Credit risk is considered to be limited.

Included in the Trade receivables as at 31 December 2022 the Group has an outstanding amount of EUR 4 million - circa NOK 42 million, from clients in Iran. The Group's activities in Iran ceased prior to reinforcement of US sanctions early November 2018. No payments have been received after this date, due to no current efficient bank channels out of Iran. The Iranian clients are working on improving the liquidity situation and finding appropriate payment routes. The Group's Iranian clients have previously demonstrated that they prioritise supplier payments, and although delayed, they have historically paid their outstanding amounts. An impairment loss of EUR 0.5 million -circa NOK 5 million, has been accrued for related to these trade receivables as at 31 December 2022, an

increase of EUR 0.1 million - circa NOK 1 million from 31 December 2021

ESG risk

ESG risks are considered in day to day operations, as well as at an enterprise risk level and in line with new legislative requirements. During 2022, efforts were concentrated on the evaluation of human rights risks across all Business Areas and jurisdictions, looking at where the business may have an impact.

Climate Risk

During 2022, a project was undertaken with external advisors to raise awareness and assess the impacts of climate risks and opportunities. Cross-functional workshops were held to review the impact on the business from both physical and transitional risks in the short, medium and long term, prioritising risks for further deep dives.

The most significant transition risks identified, along with mitigating actions were:

- Increased resources, skills and tools required to measure, track and report on climate data, leading to increased costs. In house expertise being developed, gap analysis being conducted, and software tools will be researched.
- Impact on the ability to attract and retain talent, increasing costs. Training programmes to be reviewed and

increase focus on communicating our sustainable activities.

- Changes in consumer behaviours will reduce the demand for oil and gas and therefore revenue. This will be addressed through diversification of our client portfolio and services to support the energy transition.
- Cost of and access to capital may go up as banks move to low carbon portfolios, leading to increased interest costs. Consider green funding resources for investments and diversify to low carbon portfolio.

The most significant physical risks identified, along with mitigating actions were:

- Impact of extreme weather offshore on crew and equipment logistics could increase costs and result in downtime. Critical spares analysis and robust planning required as well as protection in commercial contracts.
- Heat, floods and tropical storms may increase in certain geographies we operate in, damaging infrastructure and increasing costs. Business continuity plans, remote working and reviews of locations required to address risk.
- Heat stress will impact employees and equipment working outside in certain locations. Health tracking and storage of equipment to be monitored.

More detail on these risks can be found in our [Sustainability Report](#).

Director and Officer's Liability Insurance

Odfjell Technology has a group insurance policy for the liability of the Company's and its subsidiaries' Directors and Officers. The insurance covers personal legal liabilities including legal costs for defence. The limit of liability is NOK 75 million per claim and in aggregate per year.

Going concern

Going concern assumption

The financial statements have been prepared on the basis of the going concern assumption and the Directors have confirmed that this was realistic at the time the accounts were approved.

When assessing the going concern assumption, the Directors and management have considered cash flow forecasts, funding requirements and order backlog.

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

Taking all relevant risk factors into consideration, the Board has a reasonable expectation that the Group has adequate resources to continue its operational existence for the foreseeable future.

Subsequent events

There have been no events after the balance date with material effect for the financial statements ended 31 December 2022.

The Board of Odfjell Technology Ltd.

20 April 2023, London, United Kingdom

Helene Odfjell
Chair

Susanne Much Thore
Director


Alasdair Schiach
Director

Victor Vadaneaux
Director

Diane Stephen
General Manager

Financials





Consolidated Group Financial Statements

Consolidated Income Statement

for the year ended 31 December

NOK million	Note	2022	2021*
OPERATING REVENUE	5,6	3,885.0	2,948.2
Other gains and losses	8	13.6	6.0
Personnel expenses	7,20	(2,381.6)	(1,897.0)
Depreciation and amortisation	10,11	(288.4)	(262.8)
Other operating expenses	8	(844.5)	(669.8)
TOTAL OPERATING EXPENSES		(3,514.4)	(2,829.6)
Operating profit (EBIT)		384.1	124.6
Share of profit (loss) from joint ventures and associates	33	(19.9)	(4.6)
Interest income		6.0	5.0
Interest expenses	8	(110.7)	(6.0)
Other financial items	8	(33.3)	(16.2)
Net financial expenses		(138.0)	(17.2)
Profit before income tax		226.2	102.8
Income tax expense	9	26.8	9.2
Net profit		253.0	112.0
Profit (loss) attributable to:			
Non-controlling interests		-	(4.5)
Owners of the parent		253.0	116.5
EARNINGS PER SHARE (NOK)			
Basic earnings per share	37	6.410	2.951
Diluted earnings per share	37	6.410	2.951

* 2021 are predecessor combined financial statements, see [Note 2](#) for more information

Consolidated Statement of Comprehensive Income

for the year ended 31 December

NOK million	Note	2022	2021*
Net profit		253.0	112.0
Items that will not be reclassified to profit or loss:			
Actuarial gain (loss) on post employment benefit obligations	9,20	(1.5)	(2.8)
Items that are or may be reclassified to profit or loss:			
Cash flow hedges	25	10.8	-
Currency translation differences		140.6	82.1
Other comprehensive income, net of taxes		149.9	79.3
TOTAL COMPREHENSIVE INCOME		402.9	191.2
Total comprehensive income attributable to:			
Non-controlling interests		-	(4.5)
Owners of the parent		402.9	195.7

* 2021 are predecessor combined financial statements, see [Note 2](#) for more information

Items in the statement above are disclosed net of tax. The income tax relating to each item of other comprehensive income is disclosed in [Note 9 - Income Taxes](#).

The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Financial Position

NOK million	Note	31.12.2022	31.12.2021*	01.01.2021*
ASSETS				
Property, plant and equipment	10	1,068.4	887.4	662.0
Intangible assets	11	252.1	218.1	215.5
Deferred tax asset	9	51.3	15.5	16.1
Investments in joint venture	33	50.0	4.3	-
Non-current interest-bearing receivables				
Odfjell Drilling Group	34	-	-	91.7
Derivative financial instruments	25	10.8	-	-
Other non-current assets	12	33.9	24.0	22.1
Total non-current assets		1,466.5	1,149.3	1,007.4
Current interest-bearing receivables				
Odfjell Drilling Group	34	-	1,308.8	1,413.7
Spare parts	13	29.3	22.1	17.6
Trade receivables	16	942.6	816.4	650.8
Other current receivables and assets	12,15	116.4	125.6	77.7
Cash and cash equivalents	17	560.1	497.8	122.5
Total current assets		1,648.4	2,770.7	2,282.3
TOTAL ASSETS		3,114.9	3,920.0	3,289.6

NOK million	Note	31.12.2022	31.12.2021*	01.01.2021*
EQUITY AND LIABILITIES				
Paid-in capital	27	1,093.8	0.1	-
Other equity	28	(315.0)	2,962.1	2,637.7
Equity attributable to owners of the parent		778.8	2,962.2	2,637.7
Non-controlling interests		-	-	5.4
Total equity		778.8	2,962.2	2,643.1
Non-current interest-bearing borrowings	18	1,084.2	-	-
Non-current lease liabilities	19	96.8	83.1	37.1
Post-employment benefits	20	46.7	46.8	49.7
Non-current contract liabilities	15	37.9	49.3	31.5
Total non-current liabilities		1,265.6	179.2	118.3
Current interest-bearing borrowings	18	255.7	-	-
Current interest-bearing payables Odfjell Drilling Group	34	-	151.5	54.4
Current lease liabilities	19	30.6	24.5	19.3
Trade payables	21	264.1	215.3	137.3
Current income tax	9	55.4	15.0	3.1
Other current liabilities	15,22	464.6	372.3	314.1
Total current liabilities		1,070.4	778.7	528.2
Total liabilities		2,336.1	957.9	646.5
TOTAL EQUITY AND LIABILITIES		3,114.9	3,920.0	3,289.6

* 2021 are predecessor combined financial statements, see Note 2 for more information

The Board of Odfjell Technology Ltd.

20 April 2023, London, United Kingdom

Helene Odfjell, Chair

Susanne Munch Thore, Director

Alasdair Shiach, Director

Victor Vadaneaux, Director

Diane Stephen, General Manager

Consolidated Statement of Changes in Equity

<i>NOK million</i>	Note	Share capital	Other contributed capital	Total Paid-in capital	Other reserves	Retained earnings	Total Other equity	Attributable to owners of the parent	Non-controlling interests	Total equity
Balance at 1 January 2021		-	-	-	563.4	2,074.3	2,637.7	2,637.7	5.4	2,643.1
Profit/(loss) for the period		-	-	-	-	116.5	116.5	116.5	(4.5)	112.0
Other comprehensive income for the period		-	-	-	82.1	(2.8)	79.3	79.3	-	79.3
Total comprehensive income for the period		-	-	-	82.1	113.7	195.7	195.7	(4.5)	191.2
Equity contribution from other companies in Odfjell Drilling Ltd. Group		0.1	-	0.1	-	128.6	128.6	128.7	-	128.7
Loss of control of a subsidiary		-	-	-	-	-	-	-	(0.9)	(0.9)
Transactions with owners		0.1	-	0.1	-	128.6	128.6	128.7	(0.9)	127.8
Balance at 31 December 2021		0.1	-	0.1	645.4	2,316.6	2,962.1	2,962.2	-	2,962.2
Profit for the period		-	-	-	-	253.0	253.0	253.0	-	253.0
Other comprehensive income for the period		-	-	-	151.4	(1.5)	149.9	149.9	-	149.9
Total comprehensive income for the period		-	-	-	151.4	251.5	402.9	402.9	-	402.9
Equity contribution from Odfjell Drilling Ltd.		3.4	1,090.3	1,093.7	-	(1,049.1)	(1,049.1)	44.6	-	44.6
Dividends distributed to Odfjell Drilling Ltd. Group		-	-	-	-	(321.1)	(321.1)	(321.1)	-	(321.1)
Continuity difference **		-	-	-	-	(2,312.6)	(2,312.6)	(2,312.6)	-	(2,312.6)
Cost of share-based option plan	36	-	-	-	2.8	-	2.8	2.8	-	2.8
Transactions with owners		3.4	1,090.3	1,093.7	2.8	(3,682.8)	(3,680.0)	(2,586.2)	-	(2,586.2)
Balance at 31 December 2022		3.5	1,090.3	1,093.8	799.7	(1,114.7)	(315.0)	778.8	-	778.8

* Odfjell Technology Ltd was incorporated on 14 December 2021 with a share capital of USD 10,000. The table shows equity at the beginning of the period from predecessor combined financial statements, see [Note 2](#) for more information.

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

The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended 31 December

NOK million	Note	2022	2021*
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit/(loss) before tax		226.2	102.8
Adjustment for provisions and other non-cash elements:			
Depreciation, amortisation and impairment	10,11	288.4	262.8
Net interest expense		104.7	1.0
Share of (profit)/loss from joint ventures	33	19.9	4.6
Net (gain)/loss on sale of tangible fixed assets		(13.6)	(4.0)
Post-employment benefit expenses less post-employment benefit payments		(1.1)	(6.5)
Net currency (gain)/loss not related to operating activities		27.7	24.4
Other provisions and adjustments for non-cash items		12.9	17.5
Changes in working capital:			
Spare parts		(4.8)	(4.1)
Trade receivables and contract assets		(103.7)	(164.3)
Trade payables		39.5	87.0
Other accruals		79.6	73.9
Cash generated from operations		675.7	395.2
Net interest paid		(86.8)	(5.4)
Net income tax paid		(21.2)	(20.8)
Net cash flow from operating activities		567.7	369.1

NOK million	Note	2022	2021*
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment	10,11	(336.1)	(441.7)
Proceeds from sale of property, plant and equipment		16.6	8.4
Other non-current receivables		(8.0)	(0.4)
Cash used in obtaining control of subsidiaries	3	(2,312.6)	-
Cash flows from losing control of subsidiaries		-	(4.0)
Cash payments to acquire interests in joint-ventures	33	(30.0)	-
Mandatory convertible subordinated loan to joint venture	33	(35.4)	-
Net cash flow from investing activities		(2,705.4)	(437.7)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net change group cash pool receivables and liabilities	34	1,057.3	302.0
Proceeds from borrowings	18	1,295.5	-
Repayment of lease liabilities	19	(20.5)	(21.2)
Proceeds from capital increases		44.7	-
Group contributions from Odfjell Drilling Ltd. Group		-	164.9
Dividends paid to Odfjell Drilling Ltd. Group		(176.9)	-
Net cash flow from financing activities		2,200.2	445.7
Effects of exchange rate changes on cash and cash equivalents		(0.1)	(1.7)
Net increase (decrease) in cash and cash equivalents		62.3	375.3
Cash and cash equivalents at beginning of period		497.8	122.5
Cash and cash equivalents at period end		560.1	497.8

* 2021 are predecessor combined financial statements, see Note 2 for more information

The accompanying notes are an integral part of these financial statements

Notes to the Consolidated Financial Statements 2022

All amounts are in NOK million unless otherwise stated

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NOTE 1 General information

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

Odfjell Technology, a limited liability company, is incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. Odfjell Technology Ltd's head

office is at Bergen House, Crawpeel Road, Altens, Aberdeen, AB12 3LG, United Kingdom and the Company is tax resident in the United Kingdom.

The consolidated financial statements including notes for Odfjell Technology Ltd. for the year 2022 were approved by the Board of Directors on 20 April 2023.

NOTE 2 Basis for preparing the consolidated financial statements

Background and formation of the Group

As part of a planned restructuring, Odfjell Technology Ltd., in February 2022 received equity contributions, including shares in two subsidiaries, from Odfjell Drilling Ltd. Following the successful issuing of new debt in the company, Odfjell Technology Ltd then on 1 March 2022 purchases shares in other relevant subsidiaries from Odfjell Drilling Ltd.

At the end of March 2022, the shares in Odfjell Technology Ltd were distributed to the shareholders in Odfjell Drilling Ltd. The ratio for the distribution was 6:1, i.e. 6 shares in Odfjell Drilling Ltd gave the holder 1 share in Odfjell Technology Ltd, rounded downwards to the closest whole share.

The shares in Odfjell Technology Ltd were listed on the Oslo Stock Exchange 29 March 2022. There was no public offering of shares in Odfjell Technology Ltd in connection with the Listing.

First-time consolidated financial statements

The consolidated financial statements ended 31 December 2022 comprise the income statement, statement of comprehensive income, statement of financial position, statement of cash flow, statement of changes in equity and note disclosures.

The consolidated financial statements of the Group for the year ended 31 December 2022 comply with IFRS as endorsed by the European Union (EU).

The first-time consolidated financial statements have been prepared in accordance with IFRS 1, First-time Adoption of International Financial Reporting Standards.

The legal formation of Odfjell Technology Ltd Group was completed on 1 March 2022. The entire transaction is accounted for as a common control transaction outside the scope of IFRS 3 as Odfjell Drilling Ltd was sole shareholder of the company at the time

of the transactions, and book values of assets and liabilities are continued in the consolidated accounts of Odfjell Technology.

Principles used related to predecessor combined comparatives

Special purpose predecessor combined financial statements were prepared for the Odfjell Technology group in line with International Financial Reporting Standards as adopted by the European Union (IFRS (EU)) for the years ended 31 December 2020, 2019 and 2018. The predecessor combined financial statements are available on www.odfjelltechnology.com/investor/prospectus/

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

Applying predecessor accounting, Odfjell Technology Ltd., account for the transaction as if the combination had taken place prior to the comparative periods presented. The combined predecessor financial statements therefore present historical information as if Odfjell Technology Ltd and its subsidiaries were a part of the same group for all periods presented. The Group is of the opinion that presenting combined predecessor financial statements provide the most relevant information for users of the financial statements.

The carrying amounts of the assets and liabilities in the comparative periods are based on the predecessor values of Odfjell Drilling Ltd.

The perimeter of the accounts does not conform with the control notion in IFRS 10 *Consolidated Financial Statements* because Odfjell Technology Ltd., was not the parent company for the years covered by the predecessor consolidated combined financial statements.

The predecessor combined comparatives are otherwise prepared using the principles of IFRS 10, such as elimination of intra-group transactions and balances. Transactions with the remaining Odfjell Drilling Group have not been eliminated, as these are now regarded as external to the Odfjell Technology Group. These transactions are recognised based on intercompany agreements that were prevailing in the years reported. No adjustments are made to the predecessor values of income and expenses. The predecessor combined could differ from what would have been presented if Odfjell Technology operated as a separate group for all periods presented. See Note 34 for summary of transactions with Odfjell Drilling Group.

The predecessor combined comparatives include all entities over which Odfjell Technology Ltd., as at 1 March 2022 have the power to govern the financial and operating policies, generally accompanying a shareholding of more than half of the voting rights.

Earnings per share information for 2021 has been presented on a pro forma basis.

The accounting principles used in these consolidated financial statements are consistent with those used in the predecessor combined financial statements.

Presentation currency

The predecessor combined financial statements were prepared using USD as presentation currency, as these were carve-

out financial statements based on the predecessor values of Odfjell Drilling Ltd.

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

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

Opening balances and comparable figures

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

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

Going concern

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

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

The Group does not expect to be materially affected by the situation in Ukraine as it has no direct businesses in Ukraine, Russia or Belarus.

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

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

Basis of measurement

The consolidated financial statements have been prepared under the historical cost convention, except for derivative financial instruments, debt and equity financial assets, plan assets in defined benefit

pension plans and contingent consideration that have been measured at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where the assumptions and estimates are significant to the consolidated financial statements are disclosed in each relevant note.

New and amended standards and interpretations effective on 1 January 2022

- *Onerous Contracts - Costs of Fulfilling a Contract (Amendments to IAS 37)*

- *Covid-19-Related Rent Concessions beyond 30 June 2021 – amendments to IFRS 16.*

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries.

Subsidiaries are all entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement

with the entity and has the ability to affect those returns through its power over the entity. Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including power to govern the financial and operating policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Subsidiaries are listed in [Note 32](#).

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. The difference between fair value of any consideration paid, and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity.

If the Group loses control over a subsidiary, it de-recognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may indicate that amounts previously recognised in other

comprehensive income are reclassified to profit or loss. Any investment retained is recognised at fair value. The fair value is the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

Foreign currency translation

(a) Functional and presentation currency

Items included in the separate financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in NOK (in million), which is the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the monthly exchange rates for the month the transactions are recognised.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Foreign exchange gains and losses are presented in the income statement within 'other financial items'.

(c) Group companies

The results and financial position of all the Group's entities that have a functional currency different from the presentation currency (NOK) are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income.

Fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

The following are the most significant exchange rates used in the consolidation:

	Average rate 2022	Average rate 2021	Closing rate 31.12.2022	Closing rate 31.12.2021	Opening rate 01.01.2021
USD	9.6197	8.5979	9.8573	8.8194	8.5326
GBP	11.8610	11.8269	11.8541	11.8875	11.6562
EUR	10.1128	10.1735	10.5138	9.9888	10.4703

Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle, when it is held primarily for the purpose of trading, when it is expected to be realised within twelve months after the reporting period, or when it is cash or cash equivalent unless restricted from being exchanged or used to settle a

liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is expected to be settled in the normal operating cycle, when it is held primarily for the purpose of trading, when it is due to be settled within twelve months after the reporting period, or when there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Statement of cash flows

The statement of cash flows is prepared under the indirect method. Cash and cash equivalents include cash, bank deposits and other monetary instruments with a maturity of less than three months at the date of purchase.

New standards, amendments and interpretations issued but not effective for the financial year beginning January 1, 2022 and not early adopted

Certain new accounting standards, amendments to accounting standards, and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

NOTE 3 Significant events and transactions in the current reporting period

The financial position and performance of the group was particularly affected by the following events and transactions during the reporting period:

Financing secured

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

The company also secured a new USD 25 million super senior revolving credit facility.

Re-organisation completed

As of 1 March 2022, the re-organisation of the Odfjell Drilling group was completed, and Odfjell Technology obtained control of all the companies in the Odfjell Technology Group. A cash payment of NOK 2.3 billion was made to obtain control, utilising funds from financing secured and proceeds from Odfjell Drilling cash pool.

Listing on the Oslo Stock Exchange

At the end of March 2022, the shares in Odfjell Technology Ltd (OTL) were distributed from Odfjell Drilling Ltd (ODL) to the shareholders of ODL. The shares in OTL were admitted for trading on the Oslo Stock Exchange 29 March 2022.

Equinor extends platform drilling contracts on Johan Sverdrup and Heidrun

On 16 February 2022, Equinor exercised a 2 year option on the platform drilling contracts for Heidrun and Johan Sverdrup. The contract work includes drilling operations, work-over campaigns, Plug & Abandonment activities and all preventative and corrective maintenance on the installations. The contract period is now firm until Q4 2024. This option is the first of three options of two years each.

Management services for West Linus

On 21 February 2022, Odfjell Technology agreed with SFL Corporation Ltd to provide management services for the harsh environment jack-up drilling rig West Linus. The agreement is based on terms and conditions customary for this type of agreement. The rig is employed on a long-term drilling contract with ConocoPhillips Scandinavia AS in the North Sea until the fourth quarter of 2028. Odfjell Technology took over as manager 30 September 2022.

NOTE 4 Critical accounting estimates and judgements

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.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of

assets and liabilities within the next financial year are listed below. Detailed information of these estimates and judgements are disclosed in the relevant notes.

- Revenue recognition (Note 6 - Revenue)
- Recognition of deferred tax asset for carried forward tax losses (Note 9 - Income Taxes)

- Provisions and contingent liabilities (Note 30 - Contingencies)
- Determination of expected economic life of assets (Note 10 - Tangible fixed assets)
- Determination of lease term and estimating the incremental borrowing rate (Note 19 - Leases)

NOTE 5 Segment summary

Accounting policy

Operating segments are reported in a manner consistent with the internal financial reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board.

Segment reporting

The Group provides well services, drilling operations and engineering services to the offshore oil and gas industry. 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 Well Services segment provides casing and tubular running services (both automated and conventional), drilling tool and tubular rental services, specialist well intervention products and services for exploration wells and for production purposes.

Operations (previously Drilling Operations)

The name change from Drilling Operations to Operations is effective from January 2023. The main service offering of the Operations segment is production drilling and well completion on client's rigs. Other types of services offered are slot recovery, plug and abandonment, work-overs and maintenance activities. In this segment, the Group offers platform drilling services on both fixed production platforms and on floating production platforms with subsea blowout preventers (BOP) along with the management of and performance of the same services on leased Jack-up rigs.

Projects & Engineering (previously Engineering)

The name change from Engineering to Projects & Engineering is effective from January 2023. 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		Eliminations		Consolidated	
<i>NOK million</i>	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
External segment revenue	1,171.7	849.0	1,993.2	1,576.4	529.2	350.0	190.9	172.8	-	-	3,885.0	2,948.2
Inter segment revenue	193.7	146.9	(89.5)	(70.7)	51.9	8.3	172.2	156.4	(328.3)	(240.9)	-	-
Total revenue	1,365.4	995.9	1,903.8	1,505.7	581.0	358.3	363.0	329.2	(328.3)	(240.9)	3,885.0	2,948.2
EBITDA	485.3	257.9	157.2	100.9	72.1	20.3	(42.1)	8.3	-	-	672.5	387.4
Depreciation and amortisation	(259.3)	(211.1)	(0.1)	(0.2)	(0.6)	(0.4)	(28.4)	(51.0)	-	-	(288.4)	(262.8)
EBIT	226.0	46.9	157.1	100.7	71.5	19.8	(70.5)	(42.7)	-	-	384.1	124.6
Share of profit (loss) from joint ventures and associates											(19.9)	(4.6)
Net financial items											(138.0)	(17.2)
PROFIT / (LOSS) BEFORE TAX - CONSOLIDATED GROUP											226.2	102.8

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

NOTE 6 Revenue

Accounting policy – Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The group recognises revenue when it transfers control over rendered services to the customer.

Sometimes, the Group receives short-term advances from customers. Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

The Group has, as a practical expedient in IFRS, recognised the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the entity otherwise would have recognised is one year or less.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The group has only operating leases as a lessor. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue

in the statement of profit or loss due to its operating nature. The lease term may vary from contract to contract, and only includes the non-cancellable period of the contract with the addition of optional renewable periods if the lessee is reasonably certain to extend. None of the existing contracts have optional periods included in the lease term. The lease term is reassessed when options to extend are exercised. Contingent rents are recognised as revenue in the period in which they are earned.

Significant judgement and estimation uncertainty

There is use of judgement in the Group's revenue recognition, and the judgement items include whether to include any incentive bonus elements in the transaction price, and to estimate included variable considerations.

Well Services

The Well Services segment (OWS) 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.

Revenue for the rental services are recognised according to IFRS 16 *Leases* and is accounted for on a straight-line basis over the lease terms.

Services related to contracts with customers are provided as a series of distinct services that are substantially the same and have the same pattern of transfer to the customer. Revenue is based on the transaction price in the contracts with customers, which is a combination of fees for equipment used, personnel on board and other pricing elements. Payment of the transaction price is usually due on a monthly basis. The Group generally recognise revenue over time because of the continuous transfer of control to the customer. The period for recognising revenue is generally equal to the contract period.

Operations

The Operations segment provides integrated drilling and maintenance services for 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 in the North Sea. Services are provided as a series of distinct services that are substantially the same and have the same pattern of transfer to the customer.

Revenue is based on the transaction price in the contracts with customers. The main part of the transaction price is fixed day rates, which can vary depending on the phase of contract. Payment of the day rate based transaction price is usually due on a monthly basis. Some contracts may contain milestone payments or prepayment for

maintenance services not yet performed. Refer to [Note 15 - Contract balances](#).

The Group generally recognise revenue over time because of the continuous transfer of control to the customer. The period for recognising revenue is generally equal to the contract period.

Some of the contracts include fees for variable or conditional service fee arrangements, such as bonuses for meeting or exceeding certain performance targets. The Group estimate these variable fees using a most likely amount approach on a contract by contract basis. Management makes a detailed assessment of the amount of revenue expected to be received and the probability of success in each case. Variable consideration is included in revenue only to the extent that it is highly probable that the amount will not be subject to significant reversal when the uncertainty is resolved.

Projects & Engineering

The Projects & Engineering segment offers engineering services, including design, project management and operation and support. The transaction prices in the contracts are mainly based on rates per hour, but the business area may from time to time have some lump sum projects. The Group generally recognise revenue over time because of the continuous transfer of control to the customer. The period for recognising revenue is generally equal to the contract period.

Revenue specification

NOK million	2022	2021
Revenue from contracts with customers	3,430.5	2,636.9
Lease component in Well Services contracts	454.0	310.6
Other operating revenue	0.4	0.8
Operating revenue	3,885.0	2,948.2

Revenue from single external customers (> 10% of revenues)

NOK million	Note	2022	2021
Customer 1	34	816.7	533.9
Customer 2		544.7	453.0
Customer 3		408.7	465.1

Disaggregation of revenue by primary geographical markets

NOK million	Well Services		Operations		Projects & Engineering		Corporate / GBS		Eliminations		Consolidated	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Norway	759.0	554.2	1,176.6	969.1	521.5	323.8	312.1	279.2	(222.7)	(159.0)	2,546.5	1,967.3
UK	117.5	87.7	727.1	536.5	59.5	34.5	43.9	44.8	(100.8)	(78.1)	847.3	625.4
Europe - other countries	176.9	110.7	-	-	-	-	-	-	-	-	176.9	110.7
Asia	302.9	237.4	-	-	-	-	7.1	5.3	(4.8)	(3.8)	305.3	238.9
Other geographical markets	9.0	5.9	-	-	-	-	-	-	-	-	9.0	5.9
Total operating revenue	1,365.4	995.9	1,903.8	1,505.7	581.0	358.3	363.0	329.2	(328.3)	(240.9)	3,885.0	2,948.2

Performance obligations in contracts

Amounts allocated to performance obligations that are to be completed under existing customer contracts are set out as service elements in the following table.

The firm contract backlog does not include variable consideration which is constrained. The services provided under these contracts will be billed based on time incurred and at day rates according to contract.

Some Well Services contracts are for periods of one year or less and are billed based on time incurred. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

NOK million	Future minimum lease payments	Performance obligations	Total firm backlog
Within one year	160	2,443	2,603
Between one and two years	142	1,612	1,754
Between two and three years	33	704	737
Between three and four years	-	271	271
Between four and five years	-	67	67
After five years	-	35	35
Total	335	5,132	5,467

NOTE 7 Personnel Expenses

Specification

NOK million	Note	2022	2021
Salaries and wages		1,605.5	1,323.5
Employer's national insurance contributions		218.2	178.0
Pension expenses	20	104.9	85.6
Cost of share-based option plan	36	2.8	-
Other benefits		90.0	71.0
Hired personnel		360.1	238.9
Total personnel expenses		2,381.6	1,897.0

	2022	2021
No. of employees (annual average)	1,966	1,701

NOTE 8 Combined items, income statement

Other gains and losses

NOK million	2022	2021
Gain disposal of shares in subsidiaries due to loss of control *	-	2.1
Net gain on disposal of tangible fixed assets	13.6	4.0
Other gains and losses	13.6	6.0

* Gain disposal of shares in subsidiaries due to loss of control relates to investment in Odfjell Oceanwind AS. Due to capital contributions from other investors, the Group's financial interest has been reduced to about 15% as at 31 December 2021. Odfjell Oceanwind AS is now classified as a joint venture, refer to [note 34](#), and is accounted for using the equity method from May 2021.

Other operating expenses

NOK million	2022	2021
Hired services	100.5	109.9
Hired equipment	90.9	90.5
Repair and maintenance, inspection, tools, fixtures and fittings	391.1	276.8
Insurance	5.2	2.7
Freight and transport	48.9	41.6
Premises facility expenses	47.8	40.3
Travel and course expenses	74.8	53.3
Other operating and administrative expenses	85.3	54.7
Total other operating expenses	844.5	669.8

Accounting policy - Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Interest expenses

NOK million	Note	2022	2021
Interest expenses borrowings	18	96.6	-
Amortised transaction costs borrowings	18	4.5	-
Interest expenses lease liabilities	19	7.8	5.1
Other interest expenses		1.8	0.9
Total interest expenses		110.7	6.0

Other financial items

NOK million	2022	2021
Net currency gain / (loss)	(31.8)	(16.6)
Other financial income	0.1	1.4
Other financial expenses	(1.6)	(0.9)
Total other financial items	(33.3)	(16.2)

NOTE 9 Income Taxes

Accounting policy

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill;

deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Withholding tax is the tax withheld on border-crossing gross income, generated

in the Middle East and some other countries. Withholding tax is presented as tax expense in the income statement as this is a major, and often the total, part of the corporate income tax.

Significant judgement and estimation uncertainty

Odfjell Offshore Ltd, a subsidiary of Odfjell Technology Ltd., was registered as a Norwegian Registered Foreign Company (NUF) on 08.03.2016 after migration of the company in January 2016, and is taxable for income to Norway. In 2017, the company filed for a tax deduction, of approximately NOK 2.3 billion, on redemption of shares in Deep Sea Metro Ltd. A total of NOK 1.3 billion of this loss has been utilised through group contributions received from other Norwegian entities within the Odfjell Drilling Ltd group in the period 2017 to 2021.

21 December 2022 Odfjell Offshore Ltd received a tax ruling from the Norwegian Tax Authorities 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 will appeal the ruling, 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. The amount was financed and refunded from Odfjell Drilling Ltd., as it is covered by the letter of indemnity issued 1 March 2022 to Odfjell Technology Ltd. Odfjell Drilling Ltd will hold the Company indemnified in respect of any liability that may occur in relation to the ongoing Odfjell Offshore Ltd tax case for the financial years 2017 through to 2021. This includes financing of prepayments to the Norwegian Tax Authorities, and funds for legal proceedings.

For the financial year 2022 income taxes payable for companies taxable in Norway amounts to NOK 36 million. Following the tax ruling in December 2022, the income taxes can no longer be offset by tax losses carried forward, and the Group will have to pay the amount in 2023. 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 of NOK 36 million following at court case win.

Income tax expense

NOK million	2022	2021
Withholding tax paid / payable	(20.8)	(15.8)
Payable income tax expense	(30.7)	(33.6)
Net utilisation of unrecognised tax losses	78.4	60.0
Change in deferred tax assets and liabilities	(0.2)	(1.4)
Total income tax expense	26.8	9.2
EFFECTIVE TAX RATE	-11.8 %	-8.9 %

Tax reconciliation

USD million	2022	2021
PROFIT BEFORE INCOME TAX EXPENSE	226.2	102.8
Tax calculated at domestic tax rates applicable to profits in respective countries* (including withholding tax)	(38.7)	(43.3)
Net utilisation of unrecognised tax losses	78.4	60.0
Effect of changes in tax rates	0.1	0.2
Effect of adjustments recognised related to prior periods	5.3	(2.1)
Effect of net non-taxable income / (expenses)	(18.2)	(5.6)
Income tax expense	26.8	9.2

* Domestic tax rates applicable to the Group varies between 0% and 25% for corporate income taxes (CIT).

Tax losses

NOK million	31.12.2022	31.12.2021	01.01.2021
Unused tax losses for which no deferred tax asset has been recognised	795.6	1,150.7	1,424.2
Potential tax benefit (22%)	175.5	253.8	313.8

The movement in unrecognised tax assets is as follows:

NOK million	2022	2021
Unrecognised tax asset as at 01.01	253.8	313.8
Net utilisation of unrecognised tax losses	(78.4)	(60.0)
Effect of changes in tax rates	-	0.5
Currency translation differences	0.2	(0.5)
Unrecognised tax asset as at 31.12	175.5	253.8

The Group has an unrecognised tax asset of NOK 176 million, which is mainly related to the challenged tax loss incurred by Odfjell Offshore Ltd as explained above.

For prior periods taxable profits within Norwegian subsidiaries in Odfjell Drilling Ltd Group have been offset in tax loss incurred by Odfjell Offshore Ltd. Subsequent of the spin-off, this will no longer be the case.

The gross movement on the deferred tax account is as follows:

NOK million	2022	2021
Net deferred tax assets/(deferred tax liabilities) at 01.01	15.5	0.0
Income statement charge	35.4	(1.4)
Change in deferred tax on other comprehensive income	0.4	0.0
Currency translation differences	0.0	(0.0)
Net deferred tax assets/(deferred tax liabilities) at 31.12	51.3	15.5

The Group's recognised deferred tax assets are related to operations in Norway and the UK.

Deferred tax assets – Specification and movements

NOK million	Tax losses	Current assets	Net pension liabilities	Fixed assets	Lease liabilities	Total
Opening balance 01.01.2021	0.4	1.8	10.9	2.5	9.5	25.2
Income statement charge	(0.4)	(0.0)	(1.4)	0.3	11.3	9.7
Change in deferred tax on other comprehensive income	-	-	0.8	-	-	0.8
Currency translation differences	0.0	0.0	-	(0.0)	(0.0)	(0.0)
Closing balance 31.12.2021	-	1.8	10.3	2.8	20.8	35.7
Income statement charge	35.6	0.2	(0.4)	(2.2)	5.4	38.4
Change in deferred tax on other comprehensive income	-	-	0.4	-	-	0.4
Currency translation differences	-	(0.0)	-	0.0	0.2	0.2
Closing balance 31.12.2022	35.6	1.9	10.3	0.6	26.4	74.7

Deferred tax liabilities – Specification and movements

NOK million	Deferred capital gains	Current assets	Right-of-use Assets	Total
Opening balance 01.01.2021	(0.0)	-	(9.1)	(9.1)
Income statement charge	0.0	-	(11.1)	(11.1)
Currency translation differences	0.0	-	0.0	0.0
Closing balance 31.12.2021	(0.0)	-	(20.2)	(20.2)
Income statement charge	0.0	(0.0)	(3.1)	(3.1)
Currency translation differences	-	(0.0)	(0.2)	(0.2)
Closing balance 31.12.2022	(0.0)	(0.0)	(23.4)	(23.4)

Net book value of deferred taxes

NOK million	31.12.2022	31.12.2021	01.01.2021
Deferred tax assets	74.7	35.7	25.2
Deferred tax liabilities offset in deferred tax assets	(23.4)	(20.2)	(9.1)
Net book value of deferred tax asset	51.3	15.5	16.1

The income tax (charge)/credit relating to components of the other comprehensive income is as follows:

NOK million	Before tax 2022	Tax (charge)/ credit 2022	After tax 2022	Before tax 2021	Tax (charge)/ credit 2021	After tax 2021
Actuarial loss on post employment benefit obligations	1.9	0.4	1.5	3.6	0.8	2.8
Other comprehensive income	1.9	0.4	1.5	3.6	0.8	2.8
Deferred tax		0.4			0.8	

NOTE 10 Tangible fixed assets

Accounting policy

Property, plant and equipment comprise mainly of, well services equipment and machinery and equipment. Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes purchase price, any directly attributable costs of bringing the asset to working condition and borrowing costs.

Depreciation is calculated on a straight-line basis over the useful life of the asset or component. The depreciable amount equals historical cost less residual value. Items of property, plant and equipment with components that have substantially different useful lives are treated separately for depreciation purposes.

Subsequent costs for day-to-day repairs and maintenance are expensed as incurred.

The cost of modernisation and rebuilding projects is included in the asset's carrying amount when it is probable that the Group will derive future financial benefits and the cost of the item can be measured reliably. The carrying amount of the replaced part is written off. Modernisation and rebuilding projects are depreciated over the remaining useful life of the related assets.

The useful lives of assets and the depreciation methods are reviewed periodically in order to ensure that the method and period of depreciation are consistent with the expected pattern of financial benefits from the asset, taking into account current and expected climate risk.

When assets are sold or retired, their cost and accumulated depreciation and accumulated impairment loss are eliminated from the accounts and any gain or loss resulting from their disposal

is included in the income statement as other gains and losses.

Residual values for property, plant and equipment are estimated to be zero.

Impairment of non-financial assets

All non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the

lowest levels for which there are separately identifiable cash flows (CGUs). Value in use represents the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Non-financial assets, other than goodwill, that have suffered an impairment, are reviewed for reversal of the impairment whenever events or changes in circumstances indicate that the impairment loss recognised in prior periods may no longer exist or may have decreased.

Assets subject to operating leases

Well Service equipment contain assets used in contracts with customers that contain a lease component.

Specification and movements

NOK million	2022 Well Services equipment	2022 Other fixed assets	2022 Right-of-use assets	2022 Total fixed assets	2021 Well Services equipment	2021 Other fixed assets	2021 Right-of-use assets	2021 Total fixed assets
COST								
At 1 January	3,595.8	184.1	156.7	3,936.6	3,213.1	178.3	90.3	3,481.7
Additions	309.6	16.6	38.5	364.7	341.6	15.2	71.7	428.5
Disposals	(198.3)	(10.0)	(10.9)	(219.2)	(61.7)	(9.2)	(5.0)	(75.9)
Currency translation differences	383.4	3.9	2.5	389.7	102.8	(0.2)	(0.4)	102.3
Cost as at 31 December	4,090.4	194.7	186.7	4,471.9	3,595.8	184.1	156.7	3,936.6
ACCUMULATED DEPRECIATION AND IMPAIRMENT								
At 1 January	(2,839.2)	(157.5)	(52.5)	(3,049.2)	(2,626.7)	(156.3)	(36.7)	(2,819.7)
Depreciation	(232.4)	(9.5)	(22.7)	(264.6)	(191.0)	(9.6)	(21.1)	(221.7)
Impairment	-	-	(8.5)	(8.5)	-	-	-	-
Disposals	195.3	10.0	10.9	216.1	58.1	8.4	5.0	71.5
Currency translation differences	(293.2)	(2.9)	(1.2)	(297.3)	(79.6)	0.0	0.3	(79.3)
As at 31 December	(3,169.5)	(160.0)	(73.9)	(3,403.4)	(2,839.2)	(157.5)	(52.5)	(3,049.2)
NET BOOK VALUE AT 31 DECEMBER	921.0	34.7	112.8	1,068.4	756.6	26.6	104.2	887.4
Useful lifetime	3 - 10 years	3 - 5 years	2-12 years		3 - 10 years	3 - 5 years	2-12 years	
Depreciation schedule	Straight line	Straight line	Straight line		Straight line	Straight line	Straight line	

Accumulated impairment that may qualify for reversal in a later period related to right-of-use asset no longer in use and amount to NOK 8 million at 31 December 2022.

For more information about Right-of-use assets, refer to [Note 19 - Leases](#).

Refer to [Note 31](#) for information about capital commitments.

Significant judgement and estimation uncertainty

Management exercises judgement in determining the expected economic life of

assets in the Well Services segment. Management uses knowledge of the oil industry and the estimated market development, as well as expected technological development as basis for determining useful life. The evaluation includes effects of the climate change and the shift to renewable energy sources.

Impairment of property, plant and equipment

The Group has not identified any impairment indicators, nor any indicators for reversal of impairment as at 31 December 2022.

NOTE 11 Intangible assets

Accounting policy – Goodwill and Intangible assets

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest and net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquired entity and the fair value of non-controlling interest in the acquired entity.

Software assets are stated at their historical cost less any accumulated amortisation and any accumulated impairment losses. Historical cost includes the purchase price and any directly attributable costs of bringing the asset to working condition.

Accounting policy – Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Specification and movements 2022

NOK million	Goodwill	Software	Patents and acquired R&D	Internally developed assets	Total intangible assets
COST					
At 1 January 2022	132.8	241.4	18.7	11.7	404.6
Additions	-	40.9	-	6.0	46.8
Currency translation differences	-	0.0	2.2	1.5	3.7
Cost as at 31 December 2022	132.8	282.3	20.9	19.2	455.2
ACCUMULATED AMORTISATION AND IMPAIRMENT					
At 1 January 2022	-	(176.8)	(3.9)	(5.9)	(186.5)
Amortisation	-	(12.3)	(2.0)	(0.9)	(15.3)
Currency translation differences	-	-	-	(0.7)	(0.7)
As at 31 December 2022	-	(189.1)	(6.4)	(7.5)	(203.1)
NET BOOK VALUE AT 31 DECEMBER 2022	132.8	93.2	14.4	11.7	252.1
Useful lifetime		3-7 years	5-10 years	10 years	
Depreciation schedule		Straight line	Straight line	Straight line	

Specification and movements 2021

NOK million	Goodwill	Software	Patents and acquired R&D	Internally developed assets	Total intangible assets
COST					
At 1 January 2021	139.3	196.3	14.1	11.0	360.6
Additions	-	45.1	4.0	0.4	49.5
Disposal due to loss of control of subsidiary *	(6.5)			-	(6.5)
Currency translation differences	-	(0.0)	0.6	0.4	0.9
Cost as at 31 December 2021	132.8	241.4	18.7	11.7	404.6
ACCUMULATED AMORTISATION AND IMPAIRMENT					
At 1 January 2021	-	(140.3)	(1.5)	(3.3)	(145.1)
Amortisation	-	(36.5)	(2.3)	(2.4)	(41.1)
Currency translation differences	-	0.0	(0.1)	(0.2)	(0.3)
As at 31 December 2021	-	(176.8)	(3.9)	(5.9)	(186.5)
NET BOOK VALUE AT 31 DECEMBER 2021	132.8	64.7	14.8	5.9	218.1
Useful lifetime		3-7 years	5-10 years	10 years	
Depreciation schedule		Straight line	Straight line	Straight line	

* Disposal due to loss of control of subsidiary relates to investment in Odfjell Oceanwind AS. Due to capital contributions from other investors, the Group's financial interest has been reduced to about 15%. Odfjell Oceanwind AS is now classified as a joint venture, and is accounted for using the equity method from May 2021.

Internally developed assets

The carrying amount of internally developed assets include development expenses incurred in connection with developing a new drill-hole cleaning tool. The technology has been patented. The Group have documented that the new technology met the criteria for recognition in the balance sheet. The new tool is part of Well Services product line and is expected

to generate future cash flow to support the book value as at 31 December 2022.

The developed assets are amortised using a straight-line method over an estimated lifetime of 10 years.

Impairment tests for goodwill - Accounting principle

For the purpose of impairment testing, goodwill acquired in a business

combination is allocated to each of the cash generating units (CGUs), or groups of CGUs, that are expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Summary of goodwill allocation for each operating segment

NOK million	Well Services		Operations		Projects & Engineering		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
At 1 January	36.4	36.4	86.7	86.7	9.7	16.2	132.8	139.3
Disposal due to loss of control of subsidiary *	-	-	-	-	-	(6.5)	-	(6.5)
Net book value at 31 December	36.4	36.4	86.7	86.7	9.7	9.7	132.8	132.8

* Disposal due to loss of control of subsidiary relates to investment in Odfjell Oceanwind AS. Due to capital contributions from other investors, the Group's financial interest has been reduced to about 15% as at 31 December 2021. Odfjell Oceanwind AS is now classified as a joint venture, and is accounted for using the equity method from May 2021.

The recoverable amount of the CGUs has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on

prognoses made by management covering a five-year period. The prognosis for the EBITDA margin in 2023 and the following years is based on past

performance and expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The

discount rates used are pre-tax weighted average cost of capital and reflect specific risks relating to the relevant operating segments.

These assumptions have been used for the analysis of each CGU within the operating segment.

Key assumptions for value-in-use calculations	Well Services		Operations		Projects & Engineering	
	2022	2021	2022	2021	2022	2021
EBITDA margin in prognosis period	35-37%	22% - 36%	8% - 9%	5% - 8%	12% - 13%	5% - 8%
Growth rate year 6 and forward	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Weighted Average Cost of Capital, pre-tax	12%	12%	9%	10%	10%	10%

Impairment tests performed for goodwill for respective CGUs do not indicate any impairment as per 31.12.2022.

Sensitivity analysis for goodwill impairment test as at 31.12.2022

The Group has performed sensitivity analysis for the goodwill impairment test by reducing operating income by one, five and ten percent and EBITDA margin by one, five and ten percentage points respectively for each of the segments.

None of the other scenarios indicated any impairment write-down of goodwill as at 31 December 2022.

Reducing EBITDA margin by ten percentage points indicated an impairment write-down of NOK 87 million in the Drilling Operations segment.

NOTE 12 Other assets

Other non-current assets

NOK million	31.12.2022	31.12.2021	01.01.2021
Deposits	33.9	24.0	22.1
Total other non-current assets	33.9	24.0	22.1

Other current assets

NOK million	Note	31.12.2022	31.12.2021	01.01.2021
Prepaid expenses		55.7	40.2	31.5
Income tax receivables		20.7	8.2	4.9
VAT receivables		14.3	34.3	24.0
Contract assets	15	0.9	4.9	-
Other current receivables	34	24.9	37.9	17.3
Total other current receivables and assets		116.4	125.6	77.7

NOTE 14 Financial assets and liabilities

Accounting policies

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The Group classify financial assets in the following categories:

- amortised cost,

- financial assets at fair value through profit or loss (FVPL),
- financial assets at fair value through other comprehensive income (FVOCI)

Management determines the classification of financial assets at their initial recognition.

Derivatives are valued at fair value through profit or loss (FVPL) unless designated as hedges.

NOTE 13 Spare parts

Spare parts are stated at the lower of cost and net realisable value. Cost is attributed using the first-in, first-out (FIFO) method. The costs of spare parts comprise the purchase price, import duties and other taxes, transport and handling and other costs directly attributable to the acquisition of the goods. Trade discounts, rebates and other similar items are deducted in determining cost.

Debt instruments like loans and receivables held to receive payment of principal and interest are valued at amortised costs. The group has applied the practical expedient under IFRS 9 and are measuring the initial recognition of trade receivables at the transaction price determined under IFRS 15.

Debt instruments like bonds held to receive profit from sale in addition to interest are valued at fair value through profit and loss (FVPL).

Equity instruments like investments in shares are valued at fair value through profit and loss (FVPL).

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in the income statement in the period they occur.

Financial assets are de-recognised when the contractual rights to the cash flows from the financial assets expire or are transferred. Realised gains and losses arise from financial assets not designated for hedging, are recognised in the income statement as financial item in the period they occur.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities subsequently measured at :

- amortised cost,,
- fair value through profit or loss, or as
- derivatives designated as hedging instruments in an effective hedge.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, borrowings and derivative financial instruments.

The Group's financial liabilities at fair value through profit or loss include derivative financial instruments not designated as hedging instruments in hedge relationship as defined by IFRS 9.

The loans and borrowings category is the most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process. Refer to further information in [Note 18 - Interest-bearing borrowings](#).

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Fair value measurement

The Group measures financial instruments such as derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability , or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described below, based on the lowest level input that is significant to the fair value measurement as a whole.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Financial instruments by category and level

The tables below analyse financial instruments carried at fair value, by valuation method, based on the lowest level input that is significant to the fair value measurement as a whole. The different levels have been defined as follows:

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

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.

The Group had the following financial instruments at each reporting period:

NOK million	Note	Level	31.12.2022	31.12.2021	01.01.2021
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS					
Derivatives designated as hedging instruments					
- Interest rate swaps - Other non-current assets	25	2	10.8	-	-
OTHER FINANCIAL ASSETS					
Non-current interest-bearing receivables Odfjell Drilling Group	34		-	-	91.7
Current interest-bearing receivables Odfjell Drilling Group	34		-	1,308.8	1,413.7
Other non-current receivables	12		33.9	24.0	22.1
Trade receivables	16		942.6	816.4	650.8
Other current receivables	12		25.8	42.9	17.3
Cash and cash equivalents	17		560.1	497.8	122.5
Total financial assets			1,573.0	2,689.9	2,318.0

USD million	Note	Level	31.12.2022	31.12.2021	01.01.2021
OTHER FINANCIAL LIABILITIES					
Non-current interest-bearing borrowings	18		1,084.2	-	-
Non-current lease liabilities	19		96.8	83.1	37.1
Current interest-bearing borrowings	18		255.7	-	-
Current interest-bearing payables Odfjell Drilling Group			-	151.5	54.4
Current lease liabilities	19		30.6	24.5	19.3
Trade payables			264.1	215.3	137.3
Other current liabilities	22		310.1	276.5	227.3
Total financial liabilities			2,041.5	750.9	475.4

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

NOTE 15 Contract balances

Accounting policies – Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the

customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

For costs to fulfil contracts where the Group operates as a lessor, the Group has chosen to apply the guidance in IFRS 15 by analogy.

Accounting policies – Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Contract balances specification

NOK million	31.12.2022	31.12.2021	01.01.2021
Contract assets	0.9	4.9	-
Contract liabilities	63.0	50.5	35.1

The contract assets as at 31 December 2022 and 31 December 2021 are mainly related to the Projects & Engineering segment. They were invoiced and became payable within approximately three months.

The contract liabilities are mainly related to the Operations segment.

Of the contract liabilities as at 31 December 2022, approximately NOK 25 million is expected to be recognised as revenue during 2023. The remaining NOK 38 million relates to Operations contracts and will be recognised as revenue over an estimated period up to 5 years.

Set out below is the amount of revenue recognised from:

NOK million	2022	2021
Amounts included in contract liabilities at the beginning of the year	2.5	0.4
Performance obligations satisfied in the previous years	0.0	0.1

NOTE 16 Trade receivables

Accounting policy

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Trade receivables are financial assets and are recognised and measured according to accounting policies described in [Note 14 - Financial assets and liabilities](#).

Trade receivables specification

NOK million	Note	31.12.2022	31.12.2021	01.01.2021
Trade receivables		504.3	511.4	463.8
Earned, not yet invoiced operating revenues		452.7	317.5	196.7
Loss allowance	26	(14.5)	(12.4)	(9.7)
Trade receivables - net		942.6	816.4	650.8

As the receivables are due in the short term, the fair value is approximately equal to the carrying amount, and the future cash flows are not discounted.

For information about currencies, ageing and loss allowance, refer to [Note 26 - Credit risk](#).

NOTE 17 Cash and cash equivalents

Accounting policy

Cash and cash equivalents include cash in hand, deposits held at call with banks, other current highly-liquid investments with original maturities of three months or less.

Cash specification:

NOK million	31.12.2022	31.12.2021	01.01.2021
Cash in bank	190.7	72.0	78.3
Time deposits	306.7	379.4	-
Restricted bank deposits *	62.7	46.5	44.2
Total cash and cash equivalents	560.1	497.8	122.5

* The restricted bank deposits are mainly related to tax withholdings for employees.

NOTE 18 Interest-bearing borrowings

Accounting policy

Borrowings are financial liabilities recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of

transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction

costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a

pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Also refer to accounting policies regarding *Financial liabilities* in [Note 14 - Financial assets and liabilities](#).

Interest-bearing borrowings specification as at 31 December

NOK million	Non-current 2022	Current 2022	Total 2022
Bond loan	1,100.0	-	1,100.0
Bank borrowings	-	246.4	246.4
Transaction cost, unamortised	(15.8)	(3.9)	(19.7)
Accrued interest expenses	-	13.2	13.2
Carrying amounts interest-bearing borrowings	1,084.2	255.7	1,340.0

Movements in interest-bearing borrowings

NOK million	Non-current 2022	Current 2022	Total 2022
Carrying amount as at 1 January	-	-	-
CASH FLOWS:			
New borrowings	1,100.0	219.7	1,319.7
Paid transaction costs related to new borrowings	(19.2)	(5.0)	(24.2)
NON-CASH FLOWS:			
Reclassified	-	-	-
Change in transaction cost, unamortised	3.5	1.0	4.5
Change in accrued interest cost	-	13.2	13.2
Change due to currency revaluation	-	26.7	26.7
Carrying amount as at 31 December	1,084.2	255.7	1,340.0

Repayment schedule for interest-bearing borrowings as at 31 December

NOK million	Non-current 2022	Current 2022	Total 2022
Maturity within 3 months	-	-	-
Maturity between 3 and 6 months	-	-	-
Maturity between 6 and 9 months	-	-	-
Maturity between 9 months and 1 year *	-	246.4	246.4
Maturity between 1 and 2 years	-	-	-
Maturity between 2 and 3 years	-	-	-
Maturity between 3 and 4 years	1,100.0	-	1,100.0
Maturity between 4 and 5 years	-	-	-
Maturity beyond 5 years	-	-	-
Total contractual amounts	1,100.0	246.4	1,346.4

* Refers to the revolving credit facility of USD 25 million which can be redrawn and is available until 28 February 2026.

Refer to [Note 24](#) and [Note 25](#) for further information regarding liquidity risk and interest risk.

Financing secured

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

The company also secured a new USD 25 million super senior revolving credit facility ("SSRCF") at Secured Overnight Financing Rate plus 375 basis points.

The carrying amount and fair value of the non-current liabilities are as follows:

The fair value of non-current borrowings equals their carrying amount, as the loans

have floating rates and credit margins have been stable from the loan raising.

Available drawing facilities

The group has no available not drawn facilities as per 31 December 2022.

Compliance with financial covenants as at 31.12.2022

The Odfjell Technology Group is compliant with all financial covenants as at 31 December 2022.

Financial covenants

The borrowing facilities in the Group include the following main covenants:

Odfjell Technology Ltd – NOK 1.100 million bond loan

The Group shall maintain minimum liquidity of USD 15 million (including undrawn amounts under the SSRCF), of which minimum USD 5 million in cash and cash equivalents.

Leverage ratio (net interest bearing debt to EBITDA) shall not exceed 4.00:1.00.

The ratio of current assets to current liabilities shall at all times be a minimum 1.00:1.00.

Odfjell Technology Ltd may pay dividends in an amount up to 50% of its consolidated net income in its previous financial year, subject to compliance with the incurrence test on a pro-forma basis.

The incurrence test implies that the leverage ratio (net interest bearing debt to EBITDA) shall not exceed 3.00:1.00.

Odfjell Technology Ltd – USD 25 million SSRCF

The Group shall maintain minimum liquidity of the higher of USD 15 million and 10% of the interest bearing debt (excluding lease liabilities), in each case of which minimum USD 5 million shall be free and unrestricted cash.

Leverage ratio (net interest bearing debt to EBITDA) shall not exceed 3.75:1.00.

The ratio of current assets to current liabilities shall at all times be a minimum 1.00:1.00.

NOTE 19 Leases

The group's leasing activities as a lessee and how these are accounted for

This note relates to the Group as a lessee only.

The Group leases various offices, workshops and warehouses. Rental contracts are typically made for fixed periods of 6 months to 10 years, but may have extension or termination options. Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract

to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable, variable lease payment that are based on an index or a rate (initially measured using the index or rate as at the commencement date), amounts expected to be payable by the group under residual value guarantees, the exercise price of a purchase option if the group is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the group exercising that option. Lease payments to

be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the group uses a

build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group and makes adjustments specific to the lease, e.g. term, country, currency and security.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Lease payments are allocated between the liability and finance cost. The finance cost is charged to profit

and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and any restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and smaller items of office equipment.

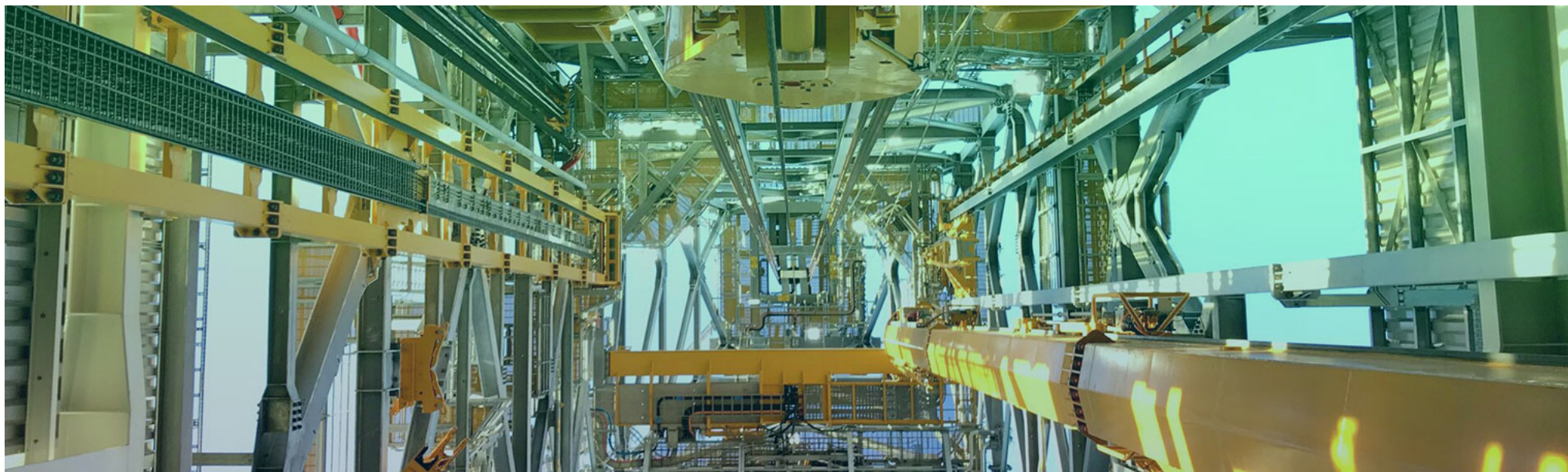
The variable lease payments in the lease agreements currently held by the Group are based on an index or a rate, and are therefore included in the calculated lease liability as described above.

Significant judgement and estimation uncertainty

The Group has several lease contracts that include extension and termination

options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The Group cannot readily determine the interest rate implicit in the lease, therefore it uses its incremental borrowing rate (IBR) to measure lease liabilities. IBR is estimated using observable inputs, such as market interest rates, when available. It is required to make certain entity-specific estimates mentioned above.



The balance sheet shows the following amounts related to leases:

	Properties	Other fixed assets	Total Right-of-use assets	Properties	Other fixed assets	Total Right-of-use assets
NOK million	2022	2022	2022	2021	2021	2021
COST						
At 1 January	156.7	-	156.7	90.3	-	90.3
Additions	38.5		38.5	71.7	-	71.7
Disposals	(10.9)		(10.9)	(5.0)	-	(5.0)
Currency translation differences	2.5	-	2.5	(0.4)	-	(0.4)
Cost as at 31 December	186.7		186.7	156.7	-	156.7
ACCUMULATED DEPRECIATION AND IMPAIRMENT						
At 1 January	(52.5)	-	(52.5)	(36.7)	-	(36.7)
Depreciation	(22.7)		(22.7)	(21.1)	-	(21.1)
Impairment loss	(8.5)		(8.5)	-	-	-
Disposals	10.9		10.9	5.0	-	5.0
Currency translation differences	(1.2)	-	(1.2)	0.3	-	0.3
As at 31 December	(73.9)	-	(73.9)	(52.5)	-	(52.5)
NET BOOK VALUE AT 31 DECEMBER	112.8	-	112.8	104.2	-	104.2

The Right-of-use assets are included in the line item "Property, plant and equipment" in the balance sheet, refer to [Note 10 - Tangible fixed assets](#).

Lease liabilities

NOK million	31.12.2022	31.12.2021	01.01.2021
Non-current	96.8	83.1	37.1
Current	30.6	24.5	19.3
Total	127.4	107.6	56.4

Movements in lease liabilities are analysed as follows:

	Non-current	Current	Total	Non-current	Current	Total
NOK million	2022	2022	2022	2021	2021	2021
Carrying amount as at 1 January	83.1	24.5	107.6	37.1	19.3	56.4
CASH FLOWS:						
Payments for the principal portion of the lease liability	-	(20.5)	(20.5)	-	(21.2)	(21.2)
Payments for the interest portion of the lease liability	-	(7.4)	(7.4)	-	(4.4)	(4.4)
NON-CASH FLOWS:						
New lease liabilities recognised in the year	38.5	-	38.5	71.7	-	71.7
Interest expense on lease liabilities	7.8	-	7.8	5.1	-	5.1
Reclassified	(33.5)	33.5	-	(30.9)	30.9	-
Currency exchange differences	0.9	0.5	1.4	0.0	(0.1)	(0.1)
Carrying amount as at 31 December	96.8	30.6	127.4	83.1	24.5	107.6

Rental costs for exemptions

NOK million	2022	2021
Expenses relating to short-term leases	90.9	90.3
Expenses relating to low value items	6.6	4.1

Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Most extension options have not been included in the lease liability, because the group could replace the asset without significant cost of business disruption, or because the group is not certain it would need the asset in the option period.

As at 31 December 2022, potential future cash outflows of NOK 148 million (not

discounted) have not been included in the lease liability because it is not reasonable certain that these leases will be extended (or not terminated).

NOTE 20 Post-employment benefits

The Group has occupational pension plans in several countries established partly as defined benefit plans (in Norway), partly as multi-employer defined benefit plans accounted for as defined contribution plans (in Norway) and partly as defined contribution plans (in Norway and other countries). The pension plans are measured and presented according to IAS 19.

A number of the Norwegian subsidiaries in the Group are required to have a civil service pension scheme according to the Norwegian Act relating to mandatory occupational pensions. These subsidiaries have pension schemes in accordance with the requirements in this Act.

Accounting policy

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically, defined benefit plans define an amount of pension benefit that an employee will receive upon retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in the income statement.

Mortality index used in actuarial calculations is K2013.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit pension plans

The Group has funded defined benefit pension schemes in four Norwegian companies covering a total of 28 active members and 18 pensioners as at 31 December 2022 (30 active members and 13 pensioners as at 31 December 2021). The scheme entitles employees to defined future benefits. These are mainly dependent on the number of years of service, the salary level at pensionable age and the size of benefits paid by the national insurance. The liabilities are covered through an insurance company.

In addition to the pension obligations that arises from the funded defined benefit plans, the Group's Norwegian companies have unfunded defined benefit obligations related to pensions and early retirement pensions. The early retirement pensions entitle staff to benefits (about NOK 111,000 a year) from the company from the age of 62 until they are eligible for a national insurance pension when reaching the age of 67, if they retire and meet requirement to receive CPA (see below).

The Group has contractual pension agreement (CPA) schemes in Norway established in multi-employer plans. These multi-employer plans are defined benefit plans, but the Group does not have access to the necessary information for the accounting years 2022 and 2021 required to account for these plans as defined benefit plans, and the plans are therefore accounted for as defined contribution plans.

Movements in the net defined benefit obligation

NOK million	Present value of obligation 2022	Fair value of plan assets 2022	Total 2022	Present value of obligation 2021	Fair value of plan assets 2021	Total 2021
At 1 January	149.5	(102.7)	46.8	144.1	(94.4)	49.7
Current service cost	8.4	-	8.4	6.9	-	6.9
Loss on plan amendment, curtailment and settlement	-	-	-	-	-	-
Interest expense/ (income)	2.3	(1.3)	1.0	2.2	(1.3)	0.9
Total amount recognised in profit or loss	10.6	(1.3)	9.4	9.1	(1.3)	7.8
Re-measurements:						
(Gain) from change in discount rate	(44.4)	-	(44.4)	-	-	-
(Gain) / loss from change in other financial assumptions	33.2	(0.2)	33.0	6.1	-	6.1
Experience (gain)/loss	20.6	(8.1)	12.5	(3.5)	0.1	(3.4)
Investment management cost	-	0.8	0.8	-	0.9	0.9
Total amount recognised in other comprehensive income	9.4	(7.5)	1.9	2.6	1.0	3.6
Contributions:						
Employers	(1.1)	(7.5)	(8.5)	(1.3)	(9.5)	(10.9)
Payments from plans:						
Benefit payments	(4.9)	2.1	(2.8)	(4.9)	1.5	(3.4)
At 31 December	163.6	(116.9)	46.7	149.5	(102.7)	46.8

Estimated premium payments to funded defined benefit obligations in 2023 amounts to about NOK 10 million.

Amounts recognised in Statement of Financial Position

NOK million	31.12.2022	31.12.2021	01.01.2021
Present value of funded obligations	139.2	125.3	117.0
Fair value of plan assets	(116.9)	(102.7)	(94.4)
Deficit of funded plans	22.3	22.6	22.5
Present value of unfunded obligations	24.4	24.2	27.1
Total deficit of defined benefit pension plans	46.7	46.8	49.7

The significant actuarial assumptions were as follows:

	31.12.2022	31.12.2021
Discount rate	3.20%	1.50%
Salary growth rate	3.75%	2.50%
Expected growth in G (base social security amount)	3.50%	2.25%
Pension growth rate	1.7%-3.5%	0.0%-2.25%

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions are:

	Change in assumption by:	Impact on Present value of obligation:		Change in assumption by:	Impact on Present value of obligation:	
		31.12.2022	31.12.2021		31.12.2022	31.12.2021
Discount rate	+0.5%	(10.5)	(9.9)	-0.5%	11.6	11.6
Salary growth rate	+0.5%	4.2	4.7	-0.5%	(4.3)	(4.8)
Pension growth rate	+0.5%	4.4	6.8	-0.5%	(10.0)	(0.3)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

The fair value of plan assets is disaggregated by class as follows

	31.12.2022	31.12.2021
Shares	11%	10%
Short term bonds	15%	19%
Money market	8%	15%
Long term bonds	32%	25%
Loans & Receivables	22%	19%
Real estate	11%	10%
Other	1%	1%

Total pension expenses included in personnel expenses are decomposed as per below:

NOK million	2022	2021
Pension expenses (-net gain) from defined benefit scheme included in personnel expenses	8.4	6.9
Pension expenses from defined contribution schemes	78.5	64.0
Pension expenses from multi-employer plans accounted for as defined contribution schemes	18.0	14.7
Total pension expenses included in personnel expenses	104.9	85.6

See also [Note 7 - Personnel expenses](#) for further information regarding personnel expenses.

NOTE 21 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade payables are financial liabilities recognised initially at fair value and subsequently measured at face value, due to short time to maturity. Also refer to accounting policies in [Note 14 - Financial assets and liabilities](#).

NOTE 22 Other liabilities

Other current liabilities specification

NOK million	Note	31.12.2022	31.12.2021	01.01.2021
Social security and other taxes		129.4	94.6	86.3
Accrued salaries, holiday pay and employee bonus provisions		212.3	184.5	148.5
Contract liabilities	15	25.1	1.2	0.4
Other payables and financial liabilities		2.4	0.1	0.2
Other accrued expenses		95.5	92.0	78.6
Total other current liabilities		464.6	372.3	314.1

Refer to [Note 30 - Contingencies](#) for further information about accounting policy for provisions and accruals, as well as significant judgement applied and estimation uncertainty.

NOTE 23 Financial risk management

Capital management and funding

The primary objective of the Group's capital management is to ensure that it maintains required capital ratios and liquidity available to support the business areas. Capital management should be such that the capital structure is sufficiently robust to withstand prolonged adverse conditions in significant risk factors, such as long-term down-cycles in our markets and unfavourable conditions in financial markets. Capital management also comprise securing the company to be in compliance with covenants on interest bearing debt. Reference is made to [Note 18 - Interest-bearing borrowings](#) which disclose information about covenants on long term interest bearing liabilities.

The Group will manage the capital structure and make adjustments to it, to maintain an optimal structure adapted to current economic conditions. In order to maintain or adjust the capital structure, the Group may adjust dividend payments, buy treasury shares, return capital to shareholders or issue new shares.

	31.12.2022
Equity	778.8
Total assets	3,114.9
Equity ratio	25%
Cash and cash equivalents excl.restricted capital	497.4
Available drawing facilities	-
Total available liquidity	497.4

Deposits / placements

The liquidity management has four main objectives:

- Matching of surplus funds against borrowing requirements.
- Secure a high level of liquidity (a targeted minimum of two months operating expenses) in order to meet future plans of the Group.
- Limitation of credit risks.
- Maximise return on liquid assets.

Accordingly, investments may only be made in securities with a rating of Investment grade, BAA (Moody's), BBB- (Standard and Poors and Fitch IBCA) or better.

A list of counter-party exposure limits is reported to the Board of Odfjell Drilling on a yearly basis.

The following instruments are allowed for short term placements;

- Deposits in banks
- Loans to companies/institutions/funds (like fixed or floating rate bonds, senior or subordinated debt)
- Certificates
- Money-market funds

Working Capital

The company's policy is to have a positive working capital.

Financial risk factors

The Group is exposed to a range of financial risks: liquidity risk, market risk (including currency risk, interest rate risk, and price risk), and credit risk.

The financial risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. To some extent, the Group uses derivative financial instruments to reduce certain risk exposures.

Risk management is carried out on a Group level. The Group identifies, evaluates and hedges financial risks in close co-operation with the Group's operational units. The board of Odfjell Technology Ltd. has established principles for risk management of foreign exchange risk, interest rate risk and use of derivative financial instruments.

NOTE 24 Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of credit facilities and to have sufficient cash or cash equivalents at any time to be able to finance its operations and investments in accordance with the Group's strategic plan.

With regular forecasts and liquidity analysis updates, the Group will ensure sufficient available liquidity to fulfil its duties at loan maturity, without unacceptable loss or risk of damaging the Group's reputation.

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying

businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available.

The Group's cash flow forecasting is performed by Group Finance. Group Finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs at all times, so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans and covenant compliance.

Surplus cash held by the operating entities over and above the balance required for working capital management is transferred to the Group Treasury.

Group treasury invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.

The Group held cash and cash equivalents amounting to NOK 560 million at the end of 2022. This is deemed to be sufficient funding for the Group's current activity levels and committed capital expenditures during 2023.

The liquidity risk is connected with the market risk and the re-contracting risk for the segments. The management continuously focuses on securing new

profitable contracts to generate sufficient cash flow from operations, hence reducing the liquidity risk going forward.

Operating in more than 20 jurisdictions the Group do from time to time receive enquiries from authorities about compliance related matters. Refer to [Note 30](#) regarding notice of decision received 1 October 2021 from HM Revenue and Customs. The Group has per 31 December 2022 not received any formal material assessment which is not disclosed in the financial statements.

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

Maturity of financial liabilities

The amounts disclosed in the table are the contractual non-discounted cash flows. The table include estimated interest payments for drawn facilities at the balance sheet date, based on the remaining period at the end of the reporting period to the contractual maturity date. The estimated interest payments include payments based on forward rates for the interest rate swaps.

Maturity of financial liabilities – 31.12.2022

<i>NOK million</i>	Less than 6 months	6 - 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Interest-bearing borrowings	306.6	56.1	112.1	1,238.6	-	1,713.4	1,340.0
Lease liabilities	15.4	15.2	30.0	59.2	30.6	150.4	127.4
Trade payables	264.1	-	-	-	-	264.1	264.1
Other current payables	305.8	4.3	-	-	-	310.1	310.1

Maturity of financial liabilities – 31.12.2021

<i>NOK million</i>	Less than 6 months	6 - 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Current interest-bearing payables Odfjell Drilling Group	151.5	-	-	-	-	151.5	151.5
Lease liabilities	12.8	11.8	22.5	50.7	34.7	132.4	107.6
Trade payables	214.7	0.6	-	-	-	215.3	215.3
Other current payables	238.7	37.7	-	-	-	276.5	276.5

NOTE 25 Market risk

Market risk is the risk of a change in market prices and demand, as well as changes in currency exchange rates and interest levels.

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

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

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

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

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

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

The market for our services in the Operations segment 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.

Climate Risk

During 2022, a project was undertaken with external advisors to raise awareness and assess the impacts of climate risks and opportunities. Cross-functional workshops were held to review the impact on the business from both physical and transitional risks in the short, medium and long term, prioritising risks for further deep dives.

The most significant transition risks identified, along with mitigating actions were:

- Increased resources, skills and tools required to measure, track and report on climate data, leading to increased costs. In house expertise being developed, gap analysis being conducted, and software tools will be researched.
- Impact on the ability to attract and retain talent, increasing costs. Training programmes to be reviewed and increase focus on communicating our sustainable activities.
- Changes in consumer behaviours will reduce the demand for oil and gas and therefore revenue. This will be addressed through diversification of our client portfolio and services to support the energy transition.

- Cost of and access to capital may go up as banks move to low carbon portfolios, leading to increased interest costs. Consider green funding resources for investments and diversify to low carbon portfolio.

The most significant physical risks identified, along with mitigating actions were:

- Impact of extreme weather offshore on crew and equipment logistics could increase costs and result in downtime. Critical spares analysis and robust planning required as well as protection in commercial contracts.
- Heat, floods and tropical storms may increase in certain geographies we operate in, damaging infrastructure and increasing costs. Business continuity plans, remote working and reviews of locations required to address risk.
- Heat stress will impact employees and equipment working outside in certain locations. Health tracking and storage of equipment to be monitored.

Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks, respectively.

Derivatives are recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured on a continuous basis at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as hedges of highly probable forecast transactions (cash-flow hedges). At the date of the hedging transaction, the Group's documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship

meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

- The effective portion of the gain or loss on the cash flow hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the income statement. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.
- Amounts recognised directly in other comprehensive income are reclassified as income or expense in the income statement in the period when the hedged liability or planned transaction will affect the income statement.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any

cumulative gain or loss existing in equity at that time remains in equity and is reclassified when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement within financial income/expenses.

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria or the group has elected not to apply hedge accounting, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

The group has the following derivative financial instruments in the following line items in the balance sheet:

NOK million	31.12.2022	31.12.2021
NON-CURRENT ASSETS		
Interest rate swaps - cash flow hedges under hedge accounting	10.8	0.0
Total non-current derivative financial instruments asset	10.8	0.0

The group's hedging reserves disclosed in [Note 28 - Other reserves related to the following instruments](#):

Cash flow hedging reserves

NOK million	Interest rate swaps	Total hedge reserves
Opening balance 1 January 2021	-	-
Change in fair value of hedging instruments recognised in OCI	-	-
Reclassified from OCI to profit or loss	-	-
Closing balance 31 December 2021	-	-
Change in fair value of hedging instruments recognised in OCI	11.3	11.3
Reclassified from OCI to profit or loss	(0.5)	(0.5)
Closing balance 31 December 2022	10.8	10.8

Foreign exchange risk

The consolidated material subsidiaries' reporting and functional currencies are NOK, USD, GBP and EUR.

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD and NOK.

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group is exposed to risks due to fluctuations in exchange rates as the customer contracts are denominated

in multiple currencies with cost mainly in local currency, while capital expenditure is in USD.

The Group seeks to minimise these risks through natural hedging by balancing the currency in and out flow and will use financial hedging instruments if required.

The foreign exchange contracts are only used for economic hedging purposes and not as speculative investments. However, these derivatives did not meet the hedge accounting criteria, and are accounted for at fair value through profit or loss.

The group's exposure to foreign currency risk at the end of the reporting period, expressed in NOK, was as follows:

Foreign exchange risk – Exposure – 31.12.2022

NOK million	USD	NOK
Cash and cash equivalents	132.3	-
Trade receivables	65.8	8.5
Interest-bearing borrowings	(244.1)	-
Trade payables	(23.8)	(5.7)
Other current payables	(2.6)	(10.6)

Foreign exchange risk – Exposure – 31.12.2021

NOK million	USD	NOK
Cash and cash equivalents	12.7	300.1
Current interest-bearing receivables Odfjell Drilling Group	-	90.2
Trade receivables	34.1	19.7
Current interest-bearing payables Odfjell Drilling Group	(151.1)	(44.9)
Trade payables	(42.1)	(1.1)
Other current payables	(15.2)	(4.8)

The aggregate net foreign exchange gains/losses recognised in profit or loss were:

NOK million	2022	2021
Net currency gain / (loss) included in finance costs	(31.8)	(16.6)

The Group's profit or loss is primarily exposed to changes in USD/NOK exchange rates.

The sensitivity shown in table below is calculated based on USD balances in companies with NOK as functional currency, and NOK balances in companies with USD as functional currency.

Sensitivity to changes in USD/NOK exchange rates

Sensitivity to changes in USD/NOK exchange rates NOK million	USD is strengthened by 20 % against NOK		USD is strengthened by 10 % against NOK		USD is weakened by 10 % against NOK		USD is weakened by 20 % against NOK	
	2022	2021	2022	2021	2022	2021	2022	2021
Cash and cash equivalents	3.4	(60.0)	1.7	(30.0)	(1.7)	30.0	(3.4)	60.0
Current receivables	1.3	(11.4)	0.6	(5.7)	(0.6)	5.7	(1.3)	11.4
Current liabilities	(48.8)	(20.7)	(24.4)	(10.4)	24.4	10.4	48.8	20.7
Net effect on profit before tax	(44.2)	(92.2)	(22.1)	(46.1)	22.1	46.1	44.2	92.2

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowing debt obligations at floating interest rates. The Group evaluates the share of interest rate hedging based on assessment of the Group's total interest rate risk and currently has a combination of fixed and floating interest rates in order to limit exposure. The Board of Directors is on regular basis considering the interest payment hedging of the external financing and mandate administration to execute necessary changes.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognising interest expense at a fixed interest rate for the hedged floating rate loans.

The Group had 2 interest rate swap agreements at 31 December 2022. Quoted mark-to-market values from financial institutions have been used to determine the fair value of the swap agreements at the end of the year. The instruments were

documented as cash flow hedges and changes in fair value were recognised in other comprehensive income (cash flow hedging).

Including interest rate swaps entered into, the fixed-rate portion of the group's interest bearing debt per 31 December 2022 is approximately 29%.

The swap contracts require settlement of net interest receivable or payable. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

Average interest rate at 31 December 2022 was about 9.7% including the effect of interest rate hedging.

Estimated fair value calculations from external financial institutions have been used to determine the fair value of the swap agreement at the end of the year.

The Group monitors its interest rate exposure on a dynamic basis. The Group calculates the impact on profit and loss of a defined interest rate shift.

As of 31.12.2022 the Group held the following interest rate swaps:

NOK million	Interest	Notional amount	Maturity date	Hedge ratio	Weighted average hedged rate	Carrying amount
Cash flow hedges under hedge accounting	NOK Nibor	275.0	2026	1:1	2.0700%	9.0
Cash flow hedges under hedge accounting	NOK Nibor	110.0	2026	1:1	2.6140%	1.7

The Group did not hold any derivatives as at 31.12.2021.

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the end of the reporting period are as follows:

NOK million	31.12.2022	% of total loans
Variable rate borrowings - NOK NIBOR	715.0	53%
Variable rate borrowings - USD SOFR	246.4	18%
FIXED RATE BORROWINGS - REPRICING OR MATURITY DATES:		
Less than 1 year	-	0%
1-5 years	385.0	29%
Later than 5 years	-	0%
Total contractual amounts	1,346.4	100%

The result of the calculation on sensitivities returns the following expected values (incl. interest rate swaps entered into as at 31 December):

If interest rate is increased by 1.0 %, the effect would be an increase in financing costs of NOK 10 million for the next 12 months as at 31 December 2022

Interest rate benchmark reform

The Company will not be affected by the interest rate benchmark reform, as it does not have any USD LIBOR exposure, and the NOK NIBOR will remain.

NOTE 26 Credit risk

Accounting policy

The group assesses, on a forward looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Further description

The Group operates in three core business areas: Well Services (OWS), Operations and Projects & Engineering. The market for the Group's services is the offshore oil and gas industry, and the customers consist primarily of major integrated oil companies, independent oil and gas producers and government owned oil companies. The Group performs ongoing credit evaluations of the customers and generally does not request material collateral.

With respect to credit risk arising from other financial assets of the Group, which comprise cash and cash equivalents, marketable securities, other receivables and certain derivatives instruments receivable amount, the Group's exposure to credit risk arises from default of the counter-party, with a maximum exposure equal to the carrying amount of these instruments. However, the Group believes this risk is limited as the counter-parties mainly have a high credit quality.

During 2022, the Group has continued its focus on credit risk in general related to the uncertain conditions in some geographical markets. The maximum exposure regarding trade receivables is the carrying amount of NOK 943 million.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to non-billed work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2022 or 31 December 2021 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Included in the Trade receivables as at 31 December 2022 and 31 December 2021 the Group has an outstanding amount of EUR 4 million (NOK 42 million) towards customers in Iran. The Group's activities in Iran ceased prior to reinforcement of US sanctions early November 2018. No payments have been received after this date, due to no current efficient bank channels out of Iran. The Iranian customers are working on improving the liquidity situation and finding appropriate payment routes. The Group's Iranian customers have previously demonstrated that they prioritise supplier payments, and although delayed, they have historically paid their outstanding.

An impairment loss of EUR 0.5 million (NOK 5 million) have been accrued for related to these trade receivables as at 31 December 2022, an increase of EUR 0.1 million (NOK 1 million) from 31 December 2021.

The ageing of the trade receivables – 31.12.2022

	Expected loss rate	Gross amount	Loss allowance	Net amount
<i>NOK million</i>		31.12.2022	31.12.2022	31.12.2022
Not due	0.0%	781.9	-	781.9
0 to 3 months	0.0%	105.4	-	105.4
3 to 6 months	2.7%	9.6	(0.3)	9.3
Over 6 months	23.6%	60.2	(14.2)	46.0
Total		957.0	(14.5)	942.6

Contract assets – 2022

	Expected loss rate	Gross amount	Loss allowance	Net amount
<i>NOK million</i>		31.12.2022	31.12.2022	31.12.2022
Not due	0.0%	0.9	-	0.9

The ageing of the trade receivables – 31.12.2021

	Expected loss rate	Gross amount	Loss allowance	Net amount
<i>NOK million</i>		31.12.2021	31.12.2021	31.12.2021
Not due	0.0%	689.8	-	689.8
0 to 3 months	0.0%	74.1	-	74.1
3 to 6 months	0.0%	7.0	-	7.0
Over 6 months	21.4%	57.9	(12.4)	45.5
Total		828.8	(12.4)	816.4

Contract assets – 2021

	Expected loss rate	Gross amount	Loss allowance	Net amount
<i>NOK million</i>		31.12.2021	31.12.2021	31.12.2021
Not due	0.0%	4.9	-	4.9

Movements in loss allowance / the provision for impairment of trade receivables and contract assets are as follows:

	Trade receivables		Contract assets	
<i>NOK million</i>	2022	2021	2022	2021
Loss allowance as at 1 January	12.4	9.7	-	-
Utilised	(2.6)	(0.6)	-	-
Released provision	(0.0)	(2.3)	-	-
New provisions	3.6	5.6	-	-
Translation differences	1.1	0.0	-	-
Loss allowance as at 31 December	14.5	12.4	-	-

<i>NOK million</i>	2022	2021
Net gain (loss) related to trade receivables	(3.7)	(3.3)

The impairment losses recognised are related to receivables arising from the Group's contracts with customers.

NOTE 27 Share capital and shareholder information

	No. of shares	Nominal value	Share capital - USD thousands
Common shares issued as at 31 December 2022	39,463,867	USD 0.01	394.6

Authorised, not issued shares was 5,536,133 as at 31 December 2022. All issued shares are fully paid. No shares are held by entities in the Group.

<i>Largest common shareholders at 31 December 2022</i>	Account type	Holding	% of shares
Odfjell Technology Holding Ltd.	Ordinary	23,825,396	60.37%
J.P. Morgan Securities Plc	Nominee	2,087,476	5.29%
Goldman Sachs International	Nominee	1,312,878	3.33%
BNP Paribas	Nominee	983,781	2.49%
Space AS	Ordinary	725,262	1.84%
UBS AG	Nominee	556,413	1.41%
Kontrari AS	Ordinary	500,000	1.27%
The Bank of New York Mellon SA/NV	Nominee	496,391	1.26%
Skandinaviska Enskilda Banken AB	Nominee	384,735	0.97%
Citibank, N.A.	Nominee	350,214	0.89%
State Street Bank and Trust Comp	Nominee	288,848	0.73%
Brown Brothers Harriman & Co.	Nominee	266,069	0.67%
Nordnet Livsforsikring AS	Ordinary	252,670	0.64%
Toluma Norden AS	Ordinary	250,000	0.63%
AS Clipper	Ordinary	249,758	0.63%
BNP Paribas	Nominee	211,304	0.54%
Nordea Bank Abp	Nominee	200,000	0.51%
Karsten Ellingsen AS	Ordinary	194,500	0.49%
Verdipapirfondet Heimdal Tinde	Ordinary	177,278	0.45%
Ulsmo Finans AS	Ordinary	140,000	0.35%
Total 20 largest common shareholders		33,452,973	84.77%
Other common shareholders		6,010,894	15.23%
Total common shareholders		39,463,867	100.00%

Common shares

The Company has only one class of ordinary shares. Each common share in the Company carries one vote, and all common shares carry equal rights, including the right to participate in General Meetings. All shareholders are treated on an equal basis.

The Company's common shares are freely transferable in Norway, provided however, that the Bye-laws include a right for the Board to decline to register a transfer of any share in the register of members, (or if required, refuse to direct any registrar appointed by the Company to transfer any interest in a share) where such transfer would result in 50% or more of the Company's shares or votes being held, controlled or owned directly or indirectly by individuals or legal persons resident for tax purposes in Norway (or, alternatively, such shares or votes being effectively connected to a Norwegian business activity).

Accounting policy - Cash dividend

The Company recognises a liability to pay a dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. A corresponding amount is recognised directly in equity.

Cash dividend paid in 2022

As part of re-organisation prior to the split of Odfjell Drilling Ltd Group, a company now part of the Odfjell Technology Ltd Group paid a cash dividend of USD 20 million, approximately NOK 177 million to Odfjell Drilling Ltd Group.

The Group has not paid any dividends after the listing on the Oslo Stock Exchange in 2022.

NOTE 28 Other reserves

NOK million	Note	Cash flow hedges	Translation differences	Share-Option plan	Total
At 1 January 2021		-	563.4	-	563.4
Currency translation difference		-	82.1	-	82.1
At 31 December 2021		-	645.4	-	645.4
Change in fair value of hedging instruments recognised in OCI	25	11.3	-	-	11.3
Reclassified from OCI to profit or loss	25	(0.5)	-	-	(0.5)
Currency translation difference		-	140.6	-	140.6
Cost of share-based option plan	36	-	-	2.8	2.8
At 31 December 2022		10.8	786.0	2.8	799.7

NOTE 29 Securities and mortgages

Liabilities secured by mortgage

NOK million	31.12.2022	31.12.2021
Non current liabilities - contractual amounts	1,100.0	-
Current liabilities	259.6	-
Total	1,359.6	-

Carrying amount of mortgaged assets:

NOK million	31.12.2022	31.12.2021
Property, plant and equipment	1,068.4	-
Spare parts	29.3	-
Receivables and contract assets	1,059.0	-
Bank deposits	560.1	-
Total	2,716.9	-

Odfjell Technology Ltd – NOK 1.100 million bond loan and USD 25 million Senior Secured Rolling Credit Facility

As security for the loans, substantially all of the assets of Odfjell Technology Ltd., and its subsidiaries have been pledged in favour of the lenders.

Subsidiaries Odfjell Technology Invest Ltd, Odfjell Platform Drilling AS and Odfjell Technology AS. have guaranteed as and for its own debt the due and punctual

observance and performance of the obligors' obligations under the finance documents.

NOTE 30 Contingencies

Accounting policy – Provisions, contingent liabilities and contingent assets

A provision is recognised when an obligation exists (legal or constructive) as a result of a past event, it is probable that an economic settlement will be required

as a consequence of the obligation, and a reliable estimate can be made of the amount of the obligation.

The best estimate of the expenditure required to settle the obligation is recognised as a provision. When the effect is material, the provision is discounted using a market based pre-tax discount rate.

A provision for restructuring costs is recognised when a constructive obligation arises. Such an obligation is assumed to have arisen when the restructuring plan is approved and the implementation of the plan has begun, or its main features are announced to those affected by it.

Contingent liabilities and contingent assets are not recognised. Contingent

liabilities are disclosed unless the possibility of an economic settlement as a consequence of the obligation is remote. Contingent assets are disclosed where an economic settlement as a consequence of the asset is probable.

Significant judgement and estimation uncertainty

The Group may from time to time be subject to various legal proceedings, disputes and claims including regulatory discussions related to the Group's business, investments etc., of which the outcomes are subject to significant uncertainty. Management applies significant judgement when evaluating the degree of probability of an unfavourable outcome and the ability to make a reasonable estimate of the amount of

loss. Unanticipated events or changes in these factors may require the Group to accrue for a matter that has not been previously accrued for because it was not considered probable, or a reasonable estimate could not be made, or increase or decrease an amount accrued for a matter in previous reporting periods.

A Group subsidiary is subject to challenges by HM Revenue and Customs ("HMRC") on the historical application of National Insurance Contributions ("NICs") to workers in the UK Continental Shelf. 1

October 2021, a decision was issued by HMRC against Odfjell Technology (UK) Ltd "OT UK" (Previously Odfjell Drilling (UK) Ltd) in respect of the historic application of NICs. OT UK has appealed against the decision and no payment has been made to HMRC pending the outcome of the first level appeal. A final verdict is not expected in the short to medium term.

Management, taking into consideration advice from independent legal and tax specialists, believes that the most probable outcome is that no outflow of resources embodying economic benefits

will be required to settle the obligation, and accordingly, no provision has been recognised. The potential exposure to OT UK in relation to NICs and interest should it be unsuccessful in defending its position is approximately NOK 280 million.

Refer to [Note 9 Income Taxes](#) for information about the Odfjell Offshore Ltd tax case.

There are no other material contingencies to be disclosed as at 31 December 2022.

NOTE 31 Commitments

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

NOK million	31.12.2022	31.12.2021
Well Service equipment	88.3	196.2
Total	88.3	196.2

NOTE 32 Subsidiaries

Material subsidiaries

Name of entity	Country of incorporation	Principal place of business	Functional currency	Ownership 2022	Ownership 2021 *	Principal activities
Odfjell Technology Invest Ltd. (previous Odfjell Partners Invest)	Bermuda	United Arab Emirates	USD	100	100	Holding company / Well services equipment owner
Odfjell Well Services II Ltd.	Bermuda	Kurdistan	USD	100	100	Well services
Odfjell Services (Thailand) FLC	Thailand	Thailand	THB	100	100	Well services
Odfjell Well Services Cooperatief U.A.	Netherlands	Europe	EUR	100	100	Well services
Odfjell Well Services SRL	Romania	Europe	RON	100	100	Well services
Odfjell Arabia Drilling Services LLC	Saudi Arabia	Saudi Arabia	USD	100	100	Well services
Odfjell Well Service (UK) Ltd.	Scotland	UK	GBP	100	100	Well services
Odfjell Well Services Norway AS	Norway	Norway	NOK	100	100	Well services
Odfjell Well Services AS	Norway	Norway	NOK	100	100	Well services
Odfjell Well Services Ltd.	British Virgin Islands	United Arab Emirates	USD	100	100	Well services
Odfjell Platform Drilling AS	Norway	Norway	NOK	100	100	Holding company / Drilling operations and Engineering
Odfjell Operations AS (previous Odfjell Drilling Management)	Norway	Norway	NOK	100	100	Drilling operations
Odfjell Technology (UK) Ltd. (previous Odfjell Drilling (UK))	Scotland	UK	GBP	100	100	Drilling operations
Odfjell Offshore Ltd.	Bermuda	Norway	NOK	100	100	Drilling operations
Odfjell Engineering AS (previous Drilling Technology)	Norway	Norway	NOK	100	100	Engineering
Odfjell Energy Crewing AS	Norway	Norway	NOK	100	100	Offshore crewing rig inspection and installation services
Odfjell Technology AS (previous Odfjell Global Business Services)	Norway	Norway	NOK	100	100	Group Business Services
Odfjell Drilling Philippines Corporation	Philippines	Philippines	PHP	100	100	Group Business Services

* Odfjell Technology Ltd., was not the parent company in 2021, but present historical information as if Odfjell Technology Ltd and its subsidiaries were a part of the same group for all periods presented.

The group's principal subsidiaries are set out in table above. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group.

Other subsidiaries included in the consolidated group financial statements:

Name of entity	Country of incorporation	Principal place of business	Functional currency	Ownership 2022	Ownership 2021 *	Principal activities
Odfjell Well Services Ltda	Brazil	Brazil	BRL	100	100	No activity
Odfjell Drilling Brasil Ltda.	Brazil	Brazil	BRL	100	100	No activity
Odfjell Gestao de Perfuracoes do Brasil Ltda.	Brazil	Brazil	BRL	100	100	No activity
Odfjell Energy (Malaysia) SDN BHD	Malaysia	Malaysia		100	n/a	No activity
Odfjell Well Services (Malaysia) SDN BHD	Malaysia	Malaysia		100	n/a	No activity

* Odfjell Technology Ltd., was not the parent company in 2021, but present historical information as if Odfjell Technology Ltd and its subsidiaries were a part of the same group for all periods presented.

NOTE 33 Investments in joint ventures and associates

Accounting policy

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

Joint ventures are accounted for using the equity method. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

Joint ventures

Company	Acquisition/ formation date	Registered office	Principal place of business	Voting and owning interest 31.12.2022	Voting and owning interest 31.12.2021
Odfjell Oceanwind AS	2020	Oslo, Norway	Bergen, Norway	21.1%	15.2%*

* Fully consolidated in the Group Financial Statements from 30 September 2020 until end April 2021

NOK million	2022	2021
Book value as at 1.1.	4.3	-
Investments *	-	6.9
Share of profit after tax	(19.9)	(4.6)
Disposals **	-	2.0
Capital contributions	30.0	-
Mandatory convertible loan	35.6	-
Book value as at 31.12	50.0	4.3

* Due to capital contributions from other investors in end April 2021, the Group's financial interest was reduced from about 28 % to about 18%, and is accounted for using the equity method from May 2021.

** Due to capital contributions from other investors in 2021, the Group's financial interest has been reduced to about 15% as at 31 December 2021.

Odfjell Oceanwind AS does not have observable market values in form of market price or similar.

Mandatory convertible loan

15 November 2022 the Company signed a loan agreement with Odfjell Oceanwind AS and subsequently paid out NOK 35 million. The loan is subordinated and runs with 5% interest and without instalment until maturity 23 November 2023. At maturity the loan and interest shall mandatory be converted to shares. The subscription price is dependent on whether or not an equity capitalisation have been carried out prior to conversion.

In accordance with IAS 28, the mandatory convertible loan is accounted for as part of the investment in the joint venture.

Description of the business in Odfjell Oceanwind AS

Odfjell Oceanwind offers services through the full lifecycle of a floating offshore wind project from in house staff, based on standardised solutions. Services include applications, front end engineering and design, project management, construction, assembly and installation follow-up, operations and maintenance planning and execution and other related services.

The table below shows the condensed financial information of Odfjell Oceanwind AS, based on 100%

NOK million	2022	2021
Total revenue	16.7	4.5
Total operating expenses	(124.7)	(38.1)
Net financial items	(0.3)	(0.1)
Net profit/(loss)	(108.3)	(33.7)
Current assets	70.4	5.7
-whereof cash and cash equivalents	65.5	2.9
Non-current assets	-	-
Current liabilities	65.7	4.3
Non-current liabilities	-	-
Equity	4.7	1.3

NOK million	2022	2021
The company's share of equity	1.0	0.2
Goodwill	13.4	4.1
Mandatory convertible loan	35.6	-
Book value as at 31.12	50.0	4.3

NOTE 34 Related parties – transactions, receivables, liabilities and commitments

The Group had the following material transactions with related parties:

NOK million	Relation	2022	2021
Odfjell Oceanwind AS	Joint-venture	30.5	9.4
Companies within the Odfjell Drilling Ltd. Group	Related to main shareholder	816.7	533.9
Total sales of services to related parties		847.2	543.3

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

NOK million	2022	2021
Well Services	374.7	162.5
Drilling operations	0.0	0.8
Engineering	290.4	205.1
Corporate / GBS	182.0	174.9
Total operating revenue to related parties	847.2	543.3

NOK million	Relation	2022	2021
Companies within the Odfjell Drilling Ltd. Group	Related to main shareholder	35.0	79.4
Total operating expenses to related parties		35.0	79.4

NOK million	Relation	2022	2021
Odfjell Drilling Ltd.	Related to main shareholder	0.8	5.1
Odfjell Oceanwind AS	Joint-venture	0.2	
Total interest income from related parties		1.0	5.1

The Group had the following receivables and liabilities to related parties

NOK million	Relation	Type	31.12.2022	31.12.2021	01.01.2021
Odfjell Drilling Ltd.	Related to main shareholder	Loan	-	-	91.7
Total non-current interest-bearing receivables related parties			-	-	91.7

NOK million	Relation	Type	31.12.2022	31.12.2021	01.01.2021
Odfjell Drilling Ltd.	Related to main shareholder	Loan	-	100.0	-
Odfjell Drilling Services Ltd.	Related to main shareholder	Cash pool	-	1,208.8	1,413.7
Current interest-bearing receivables related parties			-	1,308.8	1,413.7

NOK million	Relation	Type	31.12.2022	31.12.2021	01.01.2021
Odfjell Drilling Services Ltd.	Related to main shareholder	Cash pool	-	151.5	54.4
Current interest-bearing payables related parties			-	151.5	54.4

Cash pool

Some of the Group's bank deposits were in 2021 part of the cash pool scheme where Odfjell Drilling Services Ltd. was the account owner and thus the owner of the

bank funds. The cash pool was created to help optimise liquidity management in Odfjell Drilling Ltd. Group. The Group had a joint and several liability for deposits in

the cash pool arrangement. The Group's loans or deposits are presented as current interest-bearing receivables group

companies and current interest-bearing liabilities group companies.

Other current receivables and liabilities related parties

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

NOK million	Related party	Relation	31.12.2022	31.12.2021	01.01.2021
Trade receivables	Companies in Odfjell Drilling Ltd Group	Related to main shareholder	119.2	142.8	106.2
Other current receivables	Companies in Odfjell Drilling Ltd Group	Related to main shareholder	9.4	4.3	10.1
Trade payables	Companies in Odfjell Drilling Ltd Group	Related to main shareholder	(3.8)	(8.0)	(9.6)
Other current payables	Companies in Odfjell Drilling Ltd Group	Related to main shareholder	(5.8)	(5.5)	(9.0)
Net current payables related parties			119.1	133.6	97.7

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 as per 31 December 2022

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 December 2022.

NOTE 35 Remuneration to the Board of Directors, key executive management and auditor

Details of salary, variable pay and other benefits provided to Group management in 2022:

NOK thousands		Salary	Bonus	Pension premium	Other remuneration	Expense share-based payments	Total
Simen Lieungh	CEO from 29 March 2022 - Odfjell Technology AS	4,018	-	99	175	1,367	5,659
Jone Torstensen	CFO from 29 March 2022 - Odfjell Technology AS	2,009	-	100	174	456	2,738
Diane Stephen	General Manager - Odfjell Technology Ltd.	689	119	36	40	-	883
Total		6,715	119	235	389	1,822	9,280

The amounts listed as Salary, Bonus, and Other remuneration in the table above represent cash payments in 2022. Refer to the Executive Remuneration Report for bonuses earned in 2022.

Amounts listed as Pension premium and Expense share-based payments relates to the expense accounted for as personnel expenses in 2022.

For details regarding incentive share option programme, refer to [the Executive Remuneration Report](#) and [Note 36 - Share-based payments](#)

Fees paid to Board of non-executive directors:

NOK thousands	2022	2021
Helene Odfjell	206	-
Susanne Munch Thore	122	-
Alasdair Shiach	109	-
Victor Vadaneaux	97	-
Total remuneration to Board of non-executive directors	534	-

Fees to the Group's auditor

NOK thousands	2022	2021
Audit	1,794	686
Other assurance services	-	90
Tax advisory fee	-	-
Fees for other services	185	-
Total remuneration to the Group's auditor	1,978	776

In addition to fees to the Group's auditor listed in the table above, audit fees paid to other auditors for statutory audits of subsidiaries amount to NOK 505 thousands in 2022 (NOK 390 thousands in 2021).

All listed fees are net of VAT.

NOTE 36 Share-based payments

Accounting principle

The company have a long term equity settled incentive share option programme, in which the employee receives remuneration in the form of share-based payment for services rendered.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details below.

That cost is recognised in personnel expenses together with a corresponding increase in equity, over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Details regarding share option programme:

27 June 2022, the Company implemented a long term incentive plan. A total of 1,995,000 options have been awarded to certain of its employees at strike prices ranging from NOK 22.31 to NOK 24.13 per share.

The options can only be exercised in three equal tranches, with vesting periods of one, two and three years. The options may be exercised during the subsequent year. Any options not exercised in the first two tranches can be rolled forward to the next tranches. Any options not exercised within end of period (Q3 2025) will be terminated.

Overview of outstanding options:

Overview of outstanding options:	2022	2021
Outstanding options 1.1	-	-
Options granted	1,995,000	-
Options forfeited	-	-
Options exercised	-	-
Options expired	-	-
Outstanding options 31.12	1,995,000	-
Of which exercisable	-	-

The fair value of the options has been calculated using Black & Scholes option-pricing model. The average fair value of the options granted in 2022 is NOK 9.07. The total cost of the share option plan is calculated based on the fair value 1,995,000 options granted. The total cost equals approximately NOK 18 million and is recognised over the period until August 2025.

The calculations are based on the following assumptions:

- The share price on the grant dates were set to the stock exchange price on the grant dates (27 June 2022, 15 August 2022 and 1 September 2022).
- The strike price per options were a weighted average of NOK 22.75.
- The expected price volatility of the company's shares was set to 55% based on historical volatility adjusted for expected changes.
- The expiry date was set to 4 July 2025, 22 August 2025 and 8 September 2025.
- The expected dividend yield was set to 0%.
- The risk-free interest rate was set to 3.67%

NOTE 37 Earnings per share

Accounting policy

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

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

The calculation takes account of all the share options that are "in-the-money" and can be exercised. In the calculations, share options are assumed to have been converted/ exercised on the first date in the fiscal year. Share options issued this year are assumed to be converted/ exercised at the date of issue/ grant date. The dilution effect on share options is calculated as the difference between average fair value in an active market and exercise price and the sum of the not recognised cost portion of the options.

Further description

The Company has a share option plan for 1,995,000 common shares, see further description in [Note 36 - Share-based payments](#).

The options do not affect the basic or diluted number of shares in 2021 or 2022.

The share option plan may have dilutive effects in later periods.

NOK million	2022	2021
Profit/(loss) due to owners of the parent	253.0	116.5
Diluted profit/(loss) for the period due to the holders of common shares	253.0	116.5

	2022 *	2021 *
Weighted average number of common shares in issue	39,463,867	39,463,867
Effects of dilutive potential common shares:		
Share option plan	-	-
Diluted average number of shares outstanding	39,463,867	39,463,867

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

	2022	2021
BASIC EARNINGS PER SHARE (NOK)	6.410	2.951
Diluted earnings per share (NOK)	6.410	2.951

NOTE 38 Events after the reporting period

There have been no other events after the balance date with material effect for the financial statements ended 31 December 2022.

Parent Company Financial Statements



Income Statement

for the year ended 31 December

NOK thousands	Note	2022	2021
OPERATING REVENUES	3	934	-
Personnel expenses	4	(4,744)	-
Other operating expenses	5	(19,239)	-
TOTAL OPERATING EXPENSES		(23,983)	-
Operating profit / (loss) - EBIT		(23,049)	-
Share of profit (loss) from joint ventures	8	(19,042)	-
Interest income		1,451	-
Interest expenses	6	(101,111)	-
Dividends from subsidiaries	3	1,036,092	-
Impairment of investments in subsidiaries	7	(1,036,092)	-
Other financial items	6	(34,272)	-
Net financial items		(133,933)	-
Profit / (loss) before tax		(176,023)	-
Income tax (expense) / income	17	-	-
Profit / (loss) for the period		(176,023)	-
Of which attributable to common shareholders		(176,023)	-
EARNINGS PER SHARE (NOK)			
Basic earnings per share (NOK)	18	(4.460)	- 0
Diluted earnings per share (NOK)	18	(4.460)	- 0

Statement of Comprehensive Income

for the year ended 31 December

NOK thousands	Note	2022	2021
Profit / (loss) for the period		(176,023)	-
OTHER COMPREHENSIVE INCOME:			
Items that will not be reclassified to profit or loss		-	-
Items that are or may be reclassified to profit or loss:			
Cash flow hedges	13	10,773	-
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		10,773	-
Total comprehensive income for the period		(165,250)	-
Total comprehensive income for the period is attributable to:			
Common shareholders		(165,250)	-

The accompanying notes are an integral part of these financial statements.

Statement of Financial Position

NOK thousands	Note	31.12.2022	31.12.2021
ASSETS			
Investments in subsidiaries	7	2,190,860	-
Investments in joint ventures	8	69,314	-
Derivative financial instruments	9	10,773	-
Total non-current assets		2,270,946	-
Trade receivables		934	-
Other current assets	10	3,136	88
Current receivables group cash pool overdrafts	3	218,455	-
Cash and cash equivalents	11	197,897	-
Total current assets		420,422	88
TOTAL ASSETS		2,691,368	88

NOK thousands	Note	31.12.2022	31.12.2021
EQUITY AND LIABILITIES			
Share capital	14	3,530	88
Other contributed capital		1,090,305	-
Other reserves	15	13,619	-
Retained earnings		(176,023)	-
Total equity		931,431	88
Non-current interest-bearing borrowings	12	1,084,238	-
Total non-current liabilities		1,084,238	-
Current interest-bearing liabilities	12	255,716	-
Current liabilities group cash pool deposits	3	415,966	-
Trade payables		1,429	-
Other current liabilities	10	2,588	-
Total current liabilities		675,699	-
TOTAL LIABILITIES		1,759,937	-
TOTAL EQUITY AND LIABILITIES		2,691,368	88

The accompanying notes are an integral part of these financial statements.

The Board of Odfjell Technology Ltd.
20 April 2023, London, United Kingdom

Helene Odfjell
Chair

Susanne Munch Thore
Director

Alasdair Schiach
Director

Victor Vadaneaux
Director

Diane Stephen
General Manager

Statement of Changes in Equity

<i>NOK thousands</i>	Note	Share capital	Other contributed capital	Other reserves	Retained earnings	Total equity
Balance at 1 January 2021		-	-	-	-	-
Profit/(loss) for the period		-	-	-	-	-
Other comprehensive income for the period		-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-
Equity contribution from Odfjell Drilling Ltd.		88	-	-	-	88
Transactions with owners		88	-	-	-	88
BALANCE AT 31 DECEMBER 2021		88	-	-	-	88
Profit/(loss) for the period		-	-	-	(176,023)	(176,023)
Other comprehensive income for the period		-	-	10,773	-	10,773
Total comprehensive income for the period		-	-	10,773	(176,023)	(165,250)
Equity contribution from Odfjell Drilling Ltd.		3,442	1,090,305	-	-	1,093,746
Share-based option plan	15	-	-	2,847	-	2,847
Transactions with owners		3,442	1,090,305	2,847	-	1,096,593
BALANCE AT 31 DECEMBER 2022		3,530	1,090,305	13,619	(176,023)	931,431

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flow

for the year ended 31 December

NOK thousands	Note	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit/(loss) before tax		(176,023)	-
Adjustments for:			
Share of profit (loss) from joint ventures	8	19,042	-
Net interest expense / (income)		95,156	-
Amortised transaction costs borrowings		4,505	-
Income from subsidiaries	3	(1,036,092)	-
Impairment of investments in subsidiaries	7	1,036,092	-
Net currency loss / (gain) not related to operating activities		30,709	-
Changes in working capital:			
Trade receivables		(934)	-
Trade payables		1,429	-
Other accruals and current receivables /payables		(554)	-
Cash generated from operations		(26,671)	-
Net interest received / (paid)		(82,123)	-
Net cash flow from operating activities		(108,794)	-

NOK thousands	Note	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash used in obtaining control of subsidiaries	7	(2,312,575)	-
Cash payments to acquire interests in joint-ventures	8	(14,994)	-
Mandatory convertible loan to joint venture	8	(35,403)	-
Dividend received from subsidiaries	3	1,036,092	-
Proceeds from sale of shares	7	99,800	-
Net cash flow current group cash pool deposits and overdrafts	3	197,511	-
Net cash flow from investing activities		(1,029,568)	-
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from external borrowings	12	1,295,548	-
Net proceeds from capital increases		44,729	-
Net cash from financing activities		1,340,277	-
Exchange gains/(losses) on cash and cash equivalents		(4,019)	-
Net change in cash and cash equivalents		197,896	-
Cash and cash equivalents at 01.01		-	-
CASH AND CASH EQUIVALENTS AT 31.12		197,896	-

The accompanying notes are an integral part of these financial statements.

Notes to the Parent Company Financial Statements

All amounts are in NOK thousands unless otherwise stated

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NOTE 1 Accounting policies

The principal activities of the Company is owning its shares in subsidiaries, as well as providing management services.

Odfjell Technology Ltd was founded in December 2021, and these are the first-time financial statements prepared for the Company.

The financial statements for Odfjell Technology Ltd., have been prepared and presented in accordance with IFRS as endorsed by EU, and are based on the same accounting policies as the Consolidated Group Financial Statements with the following exceptions:

Investments in subsidiaries

Investments in subsidiaries are based on the cost method. Refer to [Note 7 - Investments in subsidiaries](#)

Dividends

Dividends and group contribution from subsidiaries are recognised in profit or loss in the parent company financial statements when the Company's right to receive the dividend is established.

For further information, reference is made to the consolidated group financial statements

NOTE 2 Critical accounting estimates and judgements

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 Company 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 Company's control. The resulting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

The most important areas where estimates and judgements are having an impact are listed below. Detailed information of these estimates and judgements are disclosed in the relevant notes.

- [Note 16 Contingencies](#)
- [Note 7 Investment in subsidiaries](#)

Going concern

Refer to Consolidated Financial Statements [Note 4 - Critical accounting estimates](#) and judgements.

Taking all relevant risk factors and available options for financing into consideration, the Board has a reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future.

NOTE 3 Related parties – transactions, receivables and liabilities

Revenue from related parties

Type of transaction	Related party	Relation	2022	2021
Management services	Odfjell Technology AS	Related to main shareholder	934	-
Dividends	Odfjell Offshore Ltd.	Subsidiary	1,036,092	-
Total			1,037,027	-

Related parties expenses

Type of transaction	Related party	Relation	2022	2021
Service fee	Odfjell Technology AS	Subsidiary	1,100	-
Guarantee commissions	Companies in Odfjell Technology Group	Subsidiary	5,775	-
Total			6,875	-

Other current receivables and liabilities – related parties

NOK thousands			2022	2022	2021	2021
Type of transaction	Related party	Relation	Receivables	Liabilities	Receivables	Liabilities
Trade	Companies in Odfjell Technology Ltd Group	Subsidiary	-	1,100	-	-
Trade	Odfjell Drilling Ltd	Related to main shareholder	934	1,226	-	-
Total current *			934	2,326	-	-

* The current receivables and liabilities have less than one year maturity.

Group Cash Pool

Odfjell Technology Ltd. is the group account holder of the cash pool for the Odfjell Technology group as per 31.12.2022, hence the company is the owner of the bank deposits included in the cash pool. Odfjell Technology Ltd. and the group companies included in the cash

pool are jointly liable for the outstanding amount of bank deposits in the cash pool.

Listing in [Note 11 - Cash and Cash equivalents](#) shows balance on the top accounts in each currency, representing Odfjell Technology Ltd.'s net balance towards the bank, DNB.

Each subsidiary's net loan or deposit is presented as current receivable group cash pool loans or current liabilities group cash pool deposits, on separate lines in the Statement of Financial Position.

To facilitate optimal interest calculations on the group's net balance towards DNB,

the company uses an overnight sweep account to net bank balances in subsidiary Odfjell Technology (UK) Ltd. Balances are transferred back to the UK company the next morning. Net liability related to the sweep account is classified as current liabilities group cash pool deposits, and included in the listing below.

Specification of cash pool receivables:

NOK thousands	Relation	31.12.2022	31.12.2021
Odfjell Energy Crewing AS	Subsidiary	3,766	- 0
Odfjell Platform Drilling AS	Subsidiary	84,038	- 0
Odfjell Technology AS	Subsidiary	50,187	- 0
Odfjell Well Services AS	Subsidiary	35,893	- 0
Odfjell Well Services Cooperatief UA.	Subsidiary	38,099	- 0
Odfjell Well Services Ltd	Subsidiary	6,472	- 0
Total current receivables group cash pool overdrafts		218,455	- 0

Specification of cash pool payables

NOK thousands	Relation	31.12.2022	31.12.2021
Odfjell Engineering AS	Subsidiary	55,978	- 0
Odfjell Offshore Ltd.	Subsidiary	21,986	- 0
Odfjell Operations AS	Subsidiary	148,564	- 0
Odfjell Technology Invest Ltd.	Subsidiary	120,297	- 0
Odfjell Well Services II Ltd.	Subsidiary	1,545	- 0
Odfjell Well Services Norge AS	Subsidiary	9,110	- 0
Odfjell Technology (UK) Ltd.	Subsidiary	58,485	- 0
Total current liabilities group cash pool deposits		415,966	- 0

NOTE 4 Personnel expenses

NOK thousands	2022	2021
Salaries	2,855	-
Payroll tax	231	-
Pension costs	77	-
Employee benefits	10	-
Board of directors fee	1,572	-
Total personnel expenses	4,744	-

The company had two employees at 31 December 2022 and (none at 31 December 2021.)

For details of salary, variable pay and other benefits provided to the General Manager and compensation to the Board of Directors, refer to [Note 35 - Remuneration to the Board of Directors](#), key executive management and Group auditor in the Group Financial Statements.

Refer to [Note 36 - Share-based payments](#) in the Group Financial Statements for information about the Share-option plan.

No loans or guarantees have been given to the members of the board of directors.

NOTE 5 Operating expenses

NOK thousands	Note	2022	2021
FEE TO THE AUDITOR (EXCLUDING VAT):			
Auditors fee		1,080	-
Other services from auditor		185	-
OTHER OPERATING EXPENSES:			
Service fee	3	1,100	-
Fees legal and financial assistance		14,643	-
Travel expenses		134	-
Other expenses		2,097	-
Total operating expenses		19,239	-

NOTE 6 Combined items, income statement

NOK thousands		2022	2021
Interest expense external borrowings		(96,606)	-
Amortised transaction costs borrowings		(4,505)	-
Other interest expenses		(1)	-
Total interest expenses		(101,111)	-

NOK thousands		2022	2021
Guarantee commissions	3	(5,775)	-
Net currency gain / (loss)		(28,219)	-
Other financial expenses		(277)	-
Total other financial items		(34,272)	-

NOTE 7 Investments in subsidiaries

Accounting policy

Investments in subsidiaries are valued at cost in the company accounts. The investment is valued as cost of acquiring shares, providing they are not impaired.

An impairment loss is recognised for the amount by which the carrying amount of the subsidiary exceeds its recoverable amount. The recoverable amount is the

higher of fair value less cost to sell and value in use. The recoverable amount of an investment in a subsidiary would

normally be based on the present value of the subsidiary's future cash flow.

Listing of directly owned subsidiaries

Company	Acquisition / formation date	Registered office	Place of business	Shares owned	Voting rights	Functional currency	Share capital in NOK thousand	Profit / (loss) 2022	Equity as at 31.12.2022	Book value as at 31.12.2022
Odfjell Technology Invest Ltd.	2022 / 2003	Hamilton, Bermuda	Aberdeen, UK	100%	100%	USD	106	155,657	1,368,345	1,620,364
Odfjell Platform Drilling AS	2022 / 2017	Bergen, Norway	Bergen, Norway	100%	100%	NOK	1,337	858	131,107	564,138
Odfjell Technology AS	2022 / 2017	Bergen, Norway	Bergen, Norway	100%	100%	NOK	249	8,262	87,749	6,357
										2,190,860

Changes in 2022

As described in [Note 3](#) of the consolidated financial statements, as of 1 March 2022, the re-organisation of the Odfjell Drilling group was completed and Odfjell Technology obtained control of the relevant companies.

Shares in Odfjell Technology AS and Odfjell Offshore Ltd was contributed to the Company as share capital increases, while the shares in Odfjell Technology Invest Ltd, Odfjell Platform Drilling AS, Odfjell Engineering AS and Odfjell Drilling Philippines Corporation were purchased.

The shares in Odfjell Engineering AS and Odfjell Drilling Philippines Corporation were sold to subsidiaries.

Dividends received and impairment recognised

As part of the internal re-organisation described above, the subsidiary Odfjell Offshore Ltd distributed a dividend of USD 117 million, approximately NOK 1 billion to the Company. An impairment assessment was performed and an impairment of NOK 1 billion was recognised to align book value of the investment with the calculated value in

use. The company had no operations and the only asset was a bank deposit. Discount rate was not relevant.

Subsequent of the dividend received and impairment posted, the shares in Odfjell Offshore Ltd was contributed to subsidiary Odfjell Platform Drilling AS

Impairment assessment

Investment in subsidiaries are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment exceed the recoverable amount.

Other than the impairment recognised regarding investment in Odfjell Offshore Ltd, the Company has not identified any impairment indicators for the investments as at 31.12.2022.

No impairment of assets in the subsidiaries have been identified. No material off balance sheet liabilities have been identified in the subsidiaries, other than contingency listed in [Note 30 - Contingencies](#) in the consolidated financial statements and the tax issue described in [Note 9 - Income taxes](#) in the consolidated financial statements.

NOTE 8 Investment in joint ventures

NOK thousands	2022
Book value as at 1.1.	-
Investment 1 March 2022	37,775
Share of profit after tax	(19,042)
Amortisation of excess value	-
Capital contributions	14,994
Mandatory convertible loan	35,588
Book value as at 31.12	69,314

NOK thousands	2022
The company's share of equity	985
Goodwill	32,741
Mandatory convertible loan	35,588
Book value as at 31.12	69,314

Refer to [Note 33 - Investments in joint ventures](#) in the consolidated financial statements for information about the joint venture, including the mandatory convertible loan provided to the joint venture.

Due to different acquisition dates in the Company versus the consolidated group, the book value of the investment in the Company is higher than the book value in the consolidated financial statements.

NOTE 9 Financial assets and liabilities

Financial instruments by category and level

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

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

The Company had the following financial instruments at each reporting period:

NOK thousands	Note	Level	31.12.2022	31.12.2021
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
Derivatives designated as hedging instruments				
- Interest rate swaps - Other non-current assets	13	2	10,773	-
OTHER FINANCIAL ASSETS				
Trade receivables	3		934	-
Other current assets			736	88
Current receivables group cash pool overdrafts	3		218,455	-
Cash and cash equivalents	11		197,897	-
Total assets as at 31.12			428,794	88

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.

NOK thousands	Note	Level	31.12.2022	31.12.2021
OTHER FINANCIAL LIABILITIES				
Non-current interest-bearing borrowings	12		1,084,238	-
Current interest-bearing liabilities	12		255,716	-
Current liabilities group cash pool deposits	3		415,966	-
Trade payables	3		1,429	-
Other current liabilities	3		2,427	-
Total liabilities as at 31.12.			1,759,776	-

Fair value for instruments at amortised cost

The fair value of the financial assets and liabilities at amortised cost approximate their carrying amount.

NOTE 10 Other assets and liabilities

NOK thousands	31.12.2022	31.12.2021
VAT receivables	1,870	
Prepayments	530	
Other current receivables	736	88
Total other current assets	3,136	88

NOK thousands	Note	31.12.2022	31.12.2021
Social security and other taxes		161	-
Accrued salaries, holiday pay, bonus provisions and Board of Director's fee		1,082	-
Other accrued expenses	3	1,345	-
Total other current liabilities		2,588	-

NOTE 11 Cash and cash equivalents

NOK thousands	31.12.2022	31.12.2021
Current account NOK	18,565	-
Current account USD	33,741	-
Current account GBP	60,958	-
Current account EUR	5,774	-
Time deposit USD	78,858	-
Total cash and bank deposits	197,897	-

None of the bank deposits are restricted.

NOTE 12 Interest-bearing borrowings

Refer to [Note 18 - Interest-bearing borrowings](#) in the Group Financial Statements.

NOTE 13 Financial Risk Management

Refer to [Note 23 - Financial risk management](#) in the Group Financial Statements.

Liquidity risk

The liquidity risk is low as a result of adequate long-term funding and available liquidity in subsidiaries.

The amounts disclosed in the table are the contractual non-discounted cash flows. The table include estimated interest payments for drawn facilities at the balance sheet date, based on the remaining period at the end of the reporting period to the contractual maturity date.

Maturity of financial liabilities – 31.12.2022

<i>NOK thousands</i>	Less than 6 months	6 - 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Interest-bearing borrowings	306,622	56,050	112,100	1,238,602	-	1,713,375	1,339,955
Current liabilities group cash pool deposits	415,966					415,966	415,966
Trade payables	1,429					1,429	1,429
Other current liabilities	2,427					2,427	2,427

Foreign exchange risk

Foreign exchange risk – Exposure

The Company's exposure to foreign currency risk at the end of the reporting period, expressed in NOK, was as follows:

<i>NOK thousands</i>	USD	GBP	Other non-NOK currencies
Cash and cash equivalents	112,600	60,958	5,774
Trade receivables	-	934	-
Interest-bearing borrowings	(244,141)	-	-
Net liabilities group cash pool	(32,414)	(65,064)	(5,764)
Other current payables	-	(1,147)	-

Aggregated net foreign exchange gains/losses recognised in profit or loss:

<i>NOK thousands</i>	2022	2021
Net currency gain / (loss) included in finance costs	(28,219)	-

The net currency loss in 2022 is mainly related to the USD 25 million credit facility.

Foreign exchange risk – Sensitivity

<i>Sensitivity to changes in USD/NOK exchange rates</i>	USD is strengthened by 20 % against NOK		USD is strengthened by 10 % against NOK		USD is weakened by 10 % against NOK	
	2022	2021	2022	2021	2022	2021
Cash and cash equivalents	22,520	-	11,260	-	(11,260)	-
Interest-bearing borrowings	(49,287)	-	(24,643)	-	24,643	-
Net liabilities group cash pool	(6,483)	-	(3,241)	-	3,241	-
Net effect on profit before tax	(33,249)	-	(16,625)	-	16,625	-

Interest rate risk

Refer to [Note 25](#) in the consolidated financial statements.

Credit risk

The company is exposed to credit risk related to related party current and non-current receivables as listed in [Note 3 - Related parties - transactions, receivables and liabilities](#).

Following IFRS 9 Financial Instruments, the company assess expected credit losses at each reporting date. The credit risk for the receivables mentioned above has not increased significantly since initial recognition, and the company therefore measures the loss allowance to an amount equal to 12-months expected credit losses.

Due to the low estimated probability of default in the next 12-month period no loss provision is recognised.

NOTE 14 Share capital and shareholders

Refer to [Note 27 - Share capital and shareholder](#) information in the Group Financial Statements.

NOTE 15 Other reserves

NOK thousands	Note	Cash flow hedges	Share-Option plan	Total
At 31 December 2021		-	-	-
Change in fair value of hedging instruments recognised in OCI	13	11,305	-	11,305
Reclassified from OCI to profit or loss	13	(532)	-	(532)
Cost of share-based option plan		-	2,847	2,847
At 31 December 2022		10,773	2,847	13,619

Refer to [Note 25](#) in the consolidated financial statements for information about the cash flow hedges.

Refer to [Note 36](#) in the consolidated financial statements for information about the share based option plan.

NOTE 16 Contingencies

As reported in [Note 9 - Income taxes](#) in the consolidated financial statements, Odfjell Offshore Ltd, a subsidiary of Odfjell Technology, 21 December 2022 received a tax ruling from the Norwegian Tax Authorities where the tax loss of on the realization of shares in 2017 was denied on the basis of the anti-avoidance rule developed as tax case law. Odfjell Offshore Ltd will appeal the ruling, and the Company 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.

Odfjell Offshore Ltd made an upfront payment 1 February 2023 of NOK 307 million in taxes and interest for the financial years 2017 through to 2021. The amount was financed and refunded to Odfjell Technology Ltd from Odfjell Drilling Ltd., as it is covered by the letter of indemnity issued 1 March 2022 to Odfjell

Technology Ltd. Odfjell Drilling Ltd will hold the Company indemnified in respect of any liability that may occur in relation to the ongoing Odfjell Offshore Ltd tax case for the financial years 2017 through to 2021. This includes financing of prepayments to the Norwegian Tax Authorities, and funds for legal proceedings.

Odfjell Technology Ltd has on 1 March 2022 issued a letter of financial support to

Odfjell Offshore Ltd, declaring that if the Company is indemnified by Odfjell Drilling Ltd for the relevant tax liability, the Company will, if so requested and if needed, contribute relevant funds into Odfjell Offshore Ltd.

No provisions have been recognised in the financial statements in relation to this tax case.

NOTE 17 Income taxes

Odfjell Technology Ltd. is registered in Bermuda.

There is no Bermuda income, corporation, or profit tax, withholding tax, capital gains, capital transfer tax, estate duty or inheritance tax payable by the company or its shareholders not ordinarily resident in Bermuda. The company is not subject to Bermuda stamp duty on the issue, transfer or redemption of its shares.

The company has received from the Minister of Finance of Bermuda under the Exempted Undertakings Tax Protection Act 1996 an assurance that, in the event of there being enacted in Bermuda any legislation imposing tax computed on profits or income, or computed on any capital assets, gain or appreciation or any tax in the nature of estate duty or inheritance tax, such tax shall not until 2035 be applicable to the company or to any of

its operations, or to the shares, debentures or other obligations of the company except insofar as such tax applies to persons ordinarily resident in Bermuda and holding such shares, debentures or other obligations of the company or any land leased or let to the company.

As an exempted company, the company is liable to pay an annual registration fee in Bermuda.

The company is tax resident in the United Kingdom. The company is as all United Kingdom resident companies residents liable for UK corporate income taxes.

The company did not pay any taxes to the United Kingdom for the fiscal year 2021, and does not expect to pay any taxes to the United Kingdom for the fiscal year 2022. There are no material temporary differences to disclose.

Income tax reconciliation

NOK thousands	2022	2021
Profit / (loss) before tax	(176,023)	-
Tax calculated at domestic tax rate - 19%	33,444	-
Effect of non-taxable income and expenses	(21,474)	-
Effect of group relief	(11,970)	-
Total income tax expense	-	-

NOTE 18 Earnings per share

NOK thousands	2022	2021
Profit/(loss) for the period	(176,023)	-
Profit/(loss) for the period due to holders of common shares	(176,023)	-
Diluted profit/(loss) for the period due to the holders of common shares	(176,023)	-

Refer to [Note 37 - Earnings per share](#) in the Group Financial Statements for accounting policy and further description

	2022	2021
Weighted average number of common shares in issue	39,463,867	39,463,867
EFFECTS OF DILUTIVE POTENTIAL COMMON SHARES:		
Share option plan	-	-
Diluted average number of shares outstanding	39,463,867	39,463,867

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

	2022	2021
Basic earnings per share (NOK)	(4.460)	-
Diluted earnings per share (NOK)	(4.460)	-

NOTE 19 Guarantees

Guarantees from the company in relation to subsidiaries' agreements

Odfjell Technology Ltd., has issued parent company guarantees regarding Odfjell Technology (UK) Ltd's platform drilling service contracts for Mariner with Equinor UK.

The company has also issued parent company guarantees regarding subsidiaries' platform drilling service and drilling equipment contracts with ConocoPhillips Skandinavia AS.

Odfjell Technology Ltd., has issued performance guarantee regarding OWS SRL, Romania of a contract with Kuwait Oil Company to provide casing while drilling services and associated tools.

NOTE 20 Events after the reporting period

There have been no other events after the balance date with material effect for the financial statements ended 31 December 2022.

Responsibility Statement

We confirm, to the best of our knowledge, that the financial statements for the period 1 January to 31 December 2022 have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity and the group taken as a whole.

We also confirm that the Board of Directors' Report includes a true and fair review of the development and performance of the business and the position of the entity and the group, together with a description of the principal risks and uncertainties facing the entity and the group.

The Board of Odfjell Technology Ltd.

20 April 2023, London, United Kingdom



Helene Odfjell
Chair




Susanne Munch
Thore
Director



Alasdair Schiach
Director



Victor Vadanueax
Director



Diane Stephen
General Manager



Auditors Report



KPMG AS
Kanalveien 11
P.O. Box 4 Kristianborg
N-5822 Bergen

Telephone +47 45 40 40 63
Internet www.kpmg.no
Enterprise 935 174 627 MVA

To the General Meeting of Odfjell Technology Ltd

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Odfjell Technology Ltd, which comprise:

- the financial statements of the parent company Odfjell Technology Ltd (the Company), which comprise the statement of financial position as at 31 December 2022, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Odfjell Technology Ltd and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards

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Statsautoriserede revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ullensvik
Bodø	Karvik	Stord	Ålesund
Drammen	Kristiansand	Straume	



Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 2 years from the election by the general meeting of the shareholders on 11 January 2022 for the accounting year 2021.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

Reference is made to Note 4 Critical accounting estimates and judgements, Note 6 Revenue and the Board of Directors report section "Critical accounting estimates"

The Key Audit Matter	How the matter was addressed in our audit
<p>As of 31 December 2022, the Group recognized NOK 3,885 million in revenue. The Group has multiple revenue sources generated from three different operating segments.</p> <p>The Group generally recognise revenue over time because of the continuous transfer of control to the customer. Certain contracts contain milestone payments, lump sum projects, prepayments for maintenance services as well as variable or conditional service fee arrangements. Management's judgement is required to assess the key elements for determining revenue recognition in the contracts. Significant management judgment can be required in determining the appropriate measurement and timing of revenue recognition, particularly for variable consideration such as incentive bonuses.</p> <p>The high volume of transactions and varying contract elements give a higher inherent risk of material misstatement.</p>	<p>Our audit procedures in this area included:</p> <ul style="list-style-type: none">Obtaining an understanding of the revenue recognition process and evaluating the design and implementation of internal controls over the revenue recognition process.Applying professional scepticism and critically assessing that the accounting judgments are in compliance with the relevant requirements for revenue recognition, including an assessment of the timing of revenue recognised in the period.Challenging management's assessment of the revenue recognition criteria in particular for variable consideration in the operations segment.Inspecting a selection of contracts with customers, to assess if the identified performance obligations and method for revenue recognition was appropriate.Performing cut-off procedures over a selection of both billed and unbilled amounts before and after the balance sheet date to ensure revenue is recognized in the correct period.Vouching a sample of recorded revenue to invoice, customer approval and cash receipt.Vouching revenue accruals to client confirmation of receipt of services provided.Evaluating the adequacy of the financial statement disclosures, including accounting policy for revenue recognition.



Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' report applies correspondingly to the reporting on Corporate Social Responsibility, as included in the Board of Directors report, and the Corporate Governance Report.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.



- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Odfjell Technology Ltd we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 529900ZYHGCPTAD1R169-2022-12-31, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.



Auditor's Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

London, 20 April 2023
KPMG AS

Ståle Christensen
State Authorised Public Accountant
(This document is signed electronically)

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. .

EBIT

Earnings before interest and taxes. Equal to Operating profit.

EBIT MARGIN

EBIT / Operating revenue

EBITDA

Earnings before depreciation, amortisation and impairment, interest and taxes.

EBITDA MARGIN

EBITDA / Operating revenue

EBITDA backlog vs NIBD

Estimated EBITDA for illustrative purposes based on revenue backlog and 2022 EBITDA margins (36%, 8% and 12% for Well Services, Drilling Operations and Engineering, respectively), excluding corporate overhead costs. This does not constitute an opinion of anticipated EBITDA and actual results may differ from the illustrative EBITDA backlog.

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 (LOSS) PROFIT

Equal to Profit (loss) for the period

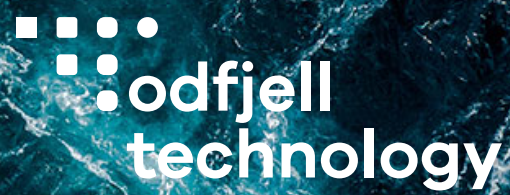
EARNINGS PER SHARE

Net profit / number of outstanding shares

LEVERAGE RATIO (ADJ)

	2022	
Non-current interest-bearing borrowings	NOK 1,084.2	million
Current interest-bearing borrowings	NOK 255.7	million
Non-current lease liabilities	NOK 96.8	million
Current lease liabilities	NOK 30.6	million
Adjustment for operational lease contracts	NOK (127.4)	million
A Adjusted financial indebtedness	NOK 1,340.0	MILLION
Cash and cash equivalents	NOK 560.1	million
Adjustment for restricted cash and other cash not readily available	NOK (62.7)	million
B Adjusted cash and cash equivalents	NOK 497.4	MILLION
A-B=C Adjusted Net interest-bearing debt	NOK 842.6	MILLION
EBITDA last 12 months	NOK 672.5	million
Adjustment for operational lease contracts	NOK (2.9)	million
Adjustment for transaction costs	NOK 14.4	million
D Adjusted EBITDA	NOK 684.0	MILLION
C/D=E Leverage ratio (adj)	1.2	

For more information visit
www.odfjelltechnology.com



Appendix 12 – Financial statements for Odfjell Well Services Norway AS as of and for the financial years ended 31 December 2023 and 31 December 2022



Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	983 793 347
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ODFJELL WELL SERVICES NORWAY AS
Forretningsadresse:	Hammaren 19 4056 TANANGER

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
-------------------------	-------------------------

Konsern

Morselskap i konsern:	Nei
-----------------------	-----

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Joachim S.Lie
Dato for fastsettelse av årsregnskapet:	14.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
 År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 18.02.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Driftsinntekter	2, 3	914 332 000	709 328 000
Gevinst ved salg av driftsmidler	2	2 543 000	1 593 000
Sum inntekter		916 875 000	710 921 000
Kostnader			
Lønnskostnad	4, 5	256 129 000	226 217 000
Avskrivning	6, 7	2 867 000	1 778 000
Annen driftskostnad	4, 8, 9	617 785 000	459 483 000
Sum kostnader		876 781 000	687 478 000
Driftsresultat		40 094 000	23 443 000
Finansinntekter og finanskostnader			
Finansinntekt	10	3 760 000	358 000
Sum finansinntekter		3 760 000	358 000
Finanskostnad	10	8 794 000	2 380 000
Sum finanskostnader		8 794 000	2 380 000
Netto finans		-5 034 000	-2 021 000
Ordinært resultat før skattekostnad		35 060 000	21 422 000
Skattekostnad på ordinært resultat	11	7 771 000	4 831 000
Ordinært resultat etter skattekostnad		27 290 000	16 591 000
Årsresultat	19	27 290 000	16 591 000
Overføringer og disponeringer			
Avgitt konsernbidrag	12	32 135 000	15 785 000
Overføringer annen egenkapital	12	-4 845 000	806 000
Sum overføringer og disponeringer		27 290 000	16 591 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	11	3 588 000	2 295 000
Goodwill	6		217 000
Sum immaterielle eiendeler		3 588 000	2 512 000
Varige driftsmidler			
Tomt	7	2 065 000	4 369 000
Maskiner og inventar	7	14 874 000	11 921 000
Sum varige driftsmidler		16 939 000	16 290 000
Sum anleggsmidler		20 527 000	18 802 000
Omløpsmidler			
Varer			
Sum varer	13	344 000	
Fordringer			
Kundefordringer	14, 15	176 434 000	167 687 000
Andre fordringer	14	8 020 000	6 841 000
Sum fordringer	14	249 517 000	183 638 000
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	16	13 900 000	10 626 000
Sum omløpsmidler		263 761 000	194 264 000
SUM EIENDELER		284 288 000	213 067 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	12, 17	828 000	828 000



Balanse

Beløp i: NOK	Note	2023	2022
Annen innskutt egenkapital	12	11 852 000	11 852 000
Sum innskutt egenkapital		12 680 000	12 680 000
Opptjent egenkapital			
Annen egenkapital	12	8 419 000	13 264 000
Sum opptjent egenkapital		8 419 000	13 264 000
Sum egenkapital		21 099 000	25 944 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	5	6 686 000	5 861 000
Andre avsetninger for forpliktelser		7 708 000	
Sum avsetninger for forpliktelser		14 395 000	5 861 000
Annen langsiktig gjeld			
Øvrig langsiktig gjeld		0	
Sum annen langsiktig gjeld		0	
Sum langsiktig gjeld		14 394 000	5 861 000
Kortsiktig gjeld			
Leverandørgjeld	15, 18	76 078 000	35 172 000
Betalbar skatt	11	0	0
Skyldige offentlige avgifter		14 463 000	10 465 000
Annen kortsiktig gjeld	15, 18	158 254 000	135 624 000
Sum kortsiktig gjeld	14	248 795 000	181 261 000
Sum gjeld		263 189 000	187 123 000
SUM EGENKAPITAL OG GJELD		284 288 000	213 067 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 420478

Enheten

Organisasjonsnummer: 983 793 347
Organisasjonsform: Aksjeselskap
Foretaksnavn: ODFJELL WELL SERVICES NORWAY AS
Forretningsadresse: Hammaren 19
4056 TANANGER

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Joachim S.Lie
Dato for fastsettelse av årsregnskapet: 14.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 05.06.2024



Organisasjonsnr: 983 793 347
ODFJELL WELL SERVICES NORWAY AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Driftsinntekter	2, 3	914 332 000	709 328 000
Gevinst ved salg av driftsmidler	2	2 543 000	1 593 000
Sum inntekter		916 875 000	710 921 000
Kostnader			
Lønnskostnad	4, 5	256 129 000	226 217 000
Avskrivning	6, 7	2 867 000	1 778 000
Annen driftskostnad	4, 8, 9	617 785 000	459 483 000
Sum kostnader		876 781 000	687 478 000
Driftsresultat		40 094 000	23 443 000
Finansinntekter og finanskostnader			
Finansinntekt	10	3 760 000	358 000
Sum finansinntekter		3 760 000	358 000
Finanskostnad	10	8 794 000	2 380 000
Sum finanskostnader		8 794 000	2 380 000
Netto finans		-5 034 000	-2 021 000
Ordinært resultat før skattekostnad			
Skattekostnad på ordinært resultat	11	7 771 000	4 831 000
Ordinært resultat etter skattekostnad		27 290 000	16 591 000
Årsresultat	19	27 290 000	16 591 000
Overføringer og disponeringer			
Avgitt konsernbidrag	12	32 135 000	15 785 000
Overføringer annen egenkapital	12	-4 845 000	806 000
Sum overføringer og disponeringer		27 290 000	16 591 000



Organisasjonsnr: 983 793 347
ODFJELL WELL SERVICES NORWAY AS

BALANSE

Beløp i: NOK	Note	2023	2022
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BALANSE - EIENDELER

Anleggsmidler

Immaterielle eiendeler

Utsatt skattefordel	11	3 588 000	2 295 000
Goodwill	6		217 000
Sum immaterielle eiendeler		3 588 000	2 512 000

Varige driftsmidler

Tomt	7	2 065 000	4 369 000
Maskiner og inventar	7	14 874 000	11 921 000
Sum varige driftsmidler		16 939 000	16 290 000

Sum anleggsmidler		20 527 000	18 802 000
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Omløpsmidler

Varer

Sum varer	13	344 000	
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Fordringer

Kundefordringer	14, 15	176 434 000	167 687 000
Andre fordringer	14	8 020 000	6 841 000
Sum fordringer	14	249 517 000	183 638 000

Bankinnskudd, kontanter og lignende

Sum bankinnskudd, kontanter og lignende	16	13 900 000	10 626 000
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Sum omløpsmidler		263 761 000	194 264 000
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SUM EIENDELER		284 288 000	213 067 000
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BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Aksjekapital	12, 17	828 000	828 000
Annen innskutt egenkapital	12	11 852 000	11 852 000
Sum innskutt egenkapital		12 680 000	12 680 000

Opptjent egenkapital

Annen egenkapital	12	8 419 000	13 264 000
Sum opptjent egenkapital		8 419 000	13 264 000

Sum egenkapital		21 099 000	25 944 000
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Gjeld



Langsiktig gjeld			
Pensjonsforpliktelser	5	6 686 000	5 861 000
Andre avsetninger for forpliktelser		7 708 000	
Sum avsetninger for forpliktelser		14 395 000	5 861 000
Annen langsiktig gjeld			
Øvrig langsiktig gjeld		0	
Sum annen langsiktig gjeld		0	
Sum langsiktig gjeld		14 394 000	5 861 000
Kortsiktig gjeld			
Leverandørgjeld	15, 18	76 078 000	35 172 000
Betalbar skatt	11	0	0
Skyldige offentlige avgifter		14 463 000	10 465 000
Annen kortsiktig gjeld	15, 18	158 254 000	135 624 000
Sum kortsiktig gjeld	14	248 795 000	181 261 000
Sum gjeld		263 189 000	187 123 000
SUM EGENKAPITAL OG GJELD		284 288 000	213 067 000



Organisasjonsnr: 983 793 347
ODFJELL WELL SERVICES NORWAY AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
17

Antall aksjer og aksjeeiere

Aksjeklasse	Ant. aksjer	Pålydende	Bokført verdi
Ordinære aksjer	1780.00	465.28	828206.00
Aksjeeiere - fritekst	Antall	Eierandel	Aksjeklasse
Odfjell Technology Invest Ltd	1780.00	100.00%	Ordinære aksjer
Sum	Sum antall	Sum eierandel	
	1780.00	100.00%	

Det ultimate morselskap er Odfjell Technology Ltd hvor Odfjell Well Services Norway AS inngår i konsolideringen. Konsernregnskap blir offentliggjort på www.odfjelltechnology.com.

Note
4

Lønn og ytelser

Lønn	Årets	Fjorårets
	154245843000.00	122186477000.00
Arbeidsgiveravgift	Årets	Fjorårets
	26079922000.00	20015165000.00
Pensjonskostnader	Årets	Fjorårets
	8677463000.00	6853616000.00
Andre ytelser	Årets	Fjorårets
	67126205000.00	77161284000.00
Sum lønnskostnader	Årets	Fjorårets
	256129433000.00	226216542000.00

Note

Ytelser til ledende personer



Er det gitt ytelser til ledende person: Nei

Ytelser til daglig leder

<u>Ytelser</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
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*Daglig leder er ansatt i søsterselskapet Odfjell Well Services AS og lønnes derfra. Kostnadene knyttet til daglig leder inngår i belastningen fra Odfjell Well Services AS. For spesifikasjon av ytelser til daglig leder, se note 4 i årsregnskapet til søsterselskapet Odfjell Well Services AS. Styret har ikke mottatt godtgjørelse i 2023. Selskapet er pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne loven. Det er ikke ytt lån eller stilt garantier til daglig leder, styret eller andre nærstående parter utover spesifisert i note 15.

Note

Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	270617000.00	110000000.00
<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	270617000.00	110000000.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
169.00

Note

Lån og sikkerhetsstillelse til ledende personer og aksjeeiere

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Skattemessig fremf.undersk.</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Kortsiktig gjeld</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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Odfjell Well Services Norway AS

Årsrapport for 2023

Årsberetning

Årsregnskap

- Resultatregnskap
- Balanse
- Kontantstrømoppstilling
- Noter

Revisjonsberetning



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Odfjell Well Services Norway AS

Årsberetning 2023

Odfjell Well Services Norway AS

Adresse: Hammaren 19, 4056 Tananger

Org.nr: 983 793 347 MVA

Virksomhetens art

Odfjell Well Services Norway AS (OWSN) er en betydelig leverandør av foringsrør (casing) tjenester, nedihullsutstyr og utleieutstyr onshore og offshore i og rundt Nordsjøen.

Selskapet har virksomhet både offshore og onshore der aktiviteten offshore i hovedsak består av utleie av utstyr samt personell til å betjene deler av utstyret. Selskapet leverer både til konserninterne og eksterne kunder.

Odfjell Well Services Norway AS har hovedkontor i Tananger.

Fremtidig utvikling

Selskapet har en god spredning i kundemassen og majoriteten av inntektene kommer fra langsiktige rammekontrakter. Konkurransen i markedet er fortsatt sterk.

Innenfor markedet for casing/foringsrørtjenester har OWSN to direkte konkurrenter. OWSN AS sin markedsandel innenfor casing/ foringsrørtjenester i Norge er ca. 40 %.

Et vesentlig fall i aktivitet i markedet generelt vil påvirke etterspørselen av selskapets tjenester. Nåværende forventninger fremover for bransjen, ser lovende ut med tanke på aktivitet og man forventer god etterspørsel etter selskapets tjenester fremover.

Utvikling av ny teknologi/nytt utstyr i forbindelse med kjøring av foringsrør har blitt positivt mottatt av eksisterende kunder de siste årene. Det vil fortsatt være fokus på ny teknologi og nye produkter og selskapets målsetning er å opprettholde eksisterende kunder samt vinne nye kontrakter.

Det vil imidlertid alltid være knyttet usikkerhet til vurderinger av fremtidige markedsforhold.

Styret mener at det fremlagte årsregnskapet gir et rettviseende bilde over utviklingen og resultatet av foretakets virksomhet og stilling.

Resultat, investeringer, finansiering og likviditet

Resultat og balansen

Omsetningen er i 2023 916 875 tusen kroner som er en oppgang på 28.97 % fra i fjor. Årsresultatet ble økt med 64.49 % til 27 290 tusen kroner. Totalkapitalen var ved utgangen av året 284 288 tusen kroner, sammenlignet med 213 067 tusen kroner året før. Egenkapitalandelen pr. 31.12.2023 var 7.4 % sammenlignet med 12.2 % i fjor.

Økning i resultat skyldes i hovedsak økt aktivitetsnivå. Selskapets finansielle stilling pr. 31.12.23 anses som tilfredsstillende.



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Odfjell Well Services Norway AS

Kontantstrøm

Pr. 31.12.23 hadde selskapet en likviditetsbeholdning på 13,9 mill. kr. Selskapet er en del av konsernkontoordningen hvor Odfjell Technology Ltd er konsernkontoeier og således eier av bankmidlene. Samlet kontantstrøm fra operasjonelle aktiviteter for selskapet i 2023 var positiv med MNOK 82,8, mens driftsresultat utgjorde MNOK 40,1, forskjell forklares i hovedsak med reduksjon i leverandørgjeld på MNOK 40. Utbetalinger fra investeringsaktiviteter var MNOK 3,3 i 2023, og forklares i hovedsak med kjøp av driftsmidler. Kontantstrøm fra finansieringsaktiviteter var i 2023 negativ med MNOK 76,2 som forklares ved oppgjør av konsernbidrag mellom konsernselskaper, samt trekk på konsernkonto ordning.

Vi anser dermed tilgang til likvider som tilfredsstillende.

Det har ikke inntrådt forhold etter regnskapsårets utgang som er av vesentlig betydning ved bedømmelse av selskapets resultat og stilling.

Markedsrisiko

Selskapet er eksponert for svingninger i etterspørsel etter boreutstyr, og således eksponert for svingninger i bransjen. Selskapet har en relativt stor markedsandel i Norge, og har derfor i løpet av 2023 opplevd en positiv utvikling i etterspørselen. Selskapets valutarisiko er begrenset og det er ikke tatt i bruk noen finansielle instrumenter.

Kredittrisiko

Majoriteten av selskapets kunder er større solide operatør- og serviceselskaper. Risiko for at motparten ikke har økonomisk evne til å oppfylle sine forpliktelser anses derfor som lav. Nye kunder kreditt vurderes før endelig avtale blir inngått, i tillegg har selskapet kontinuerlig oppfølgende av ikke betalte poster for å vurdere behov for ytterligere oppfølging enn normale purrerutiner.

Likviditetsrisiko

Selskapet vurderer likviditeten i selskapet som god, og det er ikke besluttet å innføre tiltak som endrer likviditetsrisiko.

Fortsatt drift

Årsregnskapet er avlagt under forutsetning om fortsatt drift.

I samsvar med regnskapsloven § 3-3a bekreftes det at forutsetningene om fortsatt drift er til stede. Til grunn for antagelsen ligger resultatprognoser og selskapets langsiktige strategiske prognoser for årene fremover. Selskapet har en sunn økonomisk og finansiell stilling.

Arbeidsmiljø

Arbeidsmiljøet i OWSN betraktes som godt og det iverksettes løpende tiltak for forbedringer. Organisasjonsundersøkelser blir utført hvert år for landansatte og hvert annet år for offshoreansatte.

Gjennomsnittlig antall ansatte for 2023 er 159. Ved utgangen av 2023 var det 169 ansatte i OWSN, derav 4 kvinner. De som er ansatt i selskapet jobber enten offshore eller på verksted på Tananger. Selskapets driftsadministrasjon har sitt ansettelsesforhold i et annet selskap i Odfjell Technology konsernet.

Turnover for 2023 var på 4,47 %. Tilsvarende tall for 2022 var 3,44 %.

Selskapet er en kompetanseintensiv virksomhet som er avhengig av et høyt nivå av ekspertise og teknologisk kunnskap blant sine ansatte. Virksomheten tilbyr omfattende opplæring for å sikre kontinuerlig oppdatering av kunnskap, kompetanseheving og karriereutvikling for ansatte.

Odfjell Technology Ltd konsernet arbeider kontinuerlig for forbedringsprosesser innenfor helse, miljø og sikkerhet (KHMS) for å forhindre situasjoner som kan få uønskede konsekvenser, og på denne måten oppnå målsetningen om 0 feil. Utvikling innen risikonivået for konsernet har gjennom de siste årene vist en positiv innen de fleste HMS områdene. Konsernet viser en god utvikling også innenfor uønskede hendelser med høyt potensiale, rapporteringspliktige utslipp til sjø og fallende gjenstander.



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Odfjell Well Services Norway AS

Sykefravær:

Konsernet har etablert bedriftshelsetjeneste og selskapet følger opp sykemeldt personell etter de prinsipper som ligger til grunn for et inkluderende arbeidsliv.

Det er i konsernet etablert både verneombud og arbeidsmiljøutvalg med tilrettelagt opplæring for de valgte personer. Videre har konsernet eget sosial- og attføringsutvalg og AKAN utvalg.

Totalt sykefravær for OWSN i 2023 var på 9,0 %. Tilsvarende tall for 2022 var 9,6 %.

Oppfølging og forebygging av sykefraværet har hatt høy fokus.

Forsikring for styrets medlemmer og daglig leder:

Det er tegnet forsikring på konsernnivå for styrets medlemmer og daglig leder for deres mulige ansvar overfor selskapet og tredjepersoner. Forsikringen er begrenset til MNOK 75 per år og per hendelse.

Likestilling

Selskapet har som mål å være en arbeidsplass der det råder full likestilling mellom kvinner og menn. Det er innarbeidet i selskapets policy at det ikke skal forekomme forskjellsbehandling grunnet kjønn i saker som vedrører lønn, avansement, rekruttering etc.

Selskapet har tradisjonelt rekruttert hovedtyngden av sitt personell fra fagmiljøer hvor kvinner i liten grad er representert.

Diskriminering

Selskapet arbeider aktivt for å forhindre diskriminering som følge av nedsatt funksjonsevne, etnisitet, nasjonal opprinnelse, hudfarge, religion eller livssyn. Aktivitetene omfatter blant annet rekruttering, lønns- og arbeidsvilkår, forfremmelse, utviklingsmuligheter og beskyttelse mot trakassering. Odfjell Well Services Norway AS har som målsetning å reflektere befolkningen i nærområdet. Redegjørelse i henhold til Likestillings- og diskrimineringsloven §26 er tilgjengelig på Odfjell Technology's offentlige website; www.odfjelltechnology.com.

Som et ledd i selskapets "Human Right Policy" er det også vedtatt forbud mot alle former for tvangsarbeid eller barnarbeid. All Odfjell Technology's aktivitet skal være i samsvar med internasjonalt anerkjente arbeidsstandarder innenfor områder som lønn, arbeidstid, disiplinære metoder, arbeidsavtaler og arbeidsforhold. Tilsvarende krav skal også håndheves gjennom kontrakter med leverandører, samarbeidspartnere, agenter etc. Konsernets «Human rights policy» i henhold til ikrafttredelse av den nye Åpenhetsloven av 1. juli 2022, samt selskapets Likestillingsredegjørelse er tilgjengelig på Odfjell Technology's offentlige website; www.odfjelltechnology.com.

Ytre miljø

OWSN sitt mål er null skade på ytre miljø. Aktivitet offshore består i all hovedsak av utleie av utstyr og personell. Det brukes ytterst lite kjemikalier i forbindelse med aktivitetene offshore. Ytre miljø påvirkes i liten grad.

Aktivitetene onshore består av vedlikehold av utstyr. Selskapet har to verkstedslokaler på h.h.v. Tananger. Avfall kildesorteres, og leveres så langt som mulig til gjenvinning. Spesialavfall leveres til godkjent mottaker.

Odfjell Well Services Norway AS har ikke hatt noe uønsket utslipp til miljø i 2023.

OWSN har vært sertifisert i henhold til krav i ISO 14001:2004 Miljøstyringssystemer siden 2014. En inngående beskrivelse av prosedyrer, målsetninger og tilhørende måltall for oppnåelse kan finnes i bærekraftrapportene som er gjort offentlig tilgjengelige på konsernets nettside, www.odfjelltechnology.com.



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Odfjell Well Services Norway AS

Bergen, 29. april 2024
Styret for Odfjell Well Services Norway AS

Simen Lieungh

Simen Lieungh
Styreleder

Lars Harald Norheim

Lars Harald Norheim
Daglig leder

Frederik Glenjen

Frederik Glenjen
Styremedlem

Harald Herid

Harald Asle Hereid
Styremedlem

Jone Tørstensen

Jone Tørstensen
Styremedlem

Kurt

Kurt Werner Holsæter
Styremedlem



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Odfjell Well Services Norway AS

Resultatregnskap

Beløp vises i tusen kr

	Note	2023	2022
Driftsinntekter			
Driftsinntekter	2, 3	914 332	709 328
Gevinst ved salg av driftsmidler	2	2 543	1 593
Sum driftsinntekter		916 875	710 921
Driftskostnader			
Lønnskostnad	4, 5	256 129	226 217
Avskrivning	6, 7	2 867	1 778
Annen driftskostnad	4, 8, 9	617 785	459 483
Sum driftskostnader		876 781	687 478
Driftsresultat		40 094	23 443
Finansinntekter og finanskostnader			
Finansinntekt	10	3 760	358
Finanskostnad	10	8 794	2 380
Netto finansposter		-5 034	-2 021
Ordinært resultat før skattekostnad		35 060	21 422
Skattekostnad på ordinært resultat	11	7 771	4 831
Årsresultat		27 290	16 591
Overføringer og disponeringer			
Avgitt konsernbidrag (etter skatt)	12	32 135	15 785
Overføringer annen egenkapital	12	-4 845	806
Sum disponert		27 290	16 591



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Odfjell Well Services Norway AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2023	2022
Anleggsmidler			
<i>Immaterielle eiendeler</i>			
Utsatt skattefordel	11	3 588	2 295
Goodwill	6	0	217
Sum immaterielle eiendeler		3 588	2 512
<i>Varige driftsmidler</i>			
Tomt	7	0	616
Maskiner og inventar	7	16 939	15 675
Sum varige driftsmidler		16 939	16 290
Sum anleggsmidler		20 527	18 802
Omløpsmidler			
Varelager	13	344	0
<i>Fordringer</i>			
Kundefordringer	14, 15	176 434	167 687
Fordring konsernkontoordning	14	65 063	9 110
Andre fordringer	14	8 020	6 841
Sum fordringer		249 517	183 638
Bankinnskudd, kontanter og lignende	16	13 900	10 626
Sum omløpsmidler		263 761	194 264
Sum eiendeler		284 288	213 067



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Odfjell Well Services Norway AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2023	2022
Egenkapital			
<i>Innskutt egenkapital</i>			
Aksjekapital	12, 17	828	828
Annen innskutt egenkapital	12	11 852	11 852
Sum innskutt egenkapital		12 680	12 680
<i>Opptjent egenkapital</i>			
Annen egenkapital	12	8 419	13 264
Sum egenkapital		21 099	25 944
Gjeld			
<i>Avsetninger for forpliktelser</i>			
Pensjonsforpliktelser	5	6 686	5 861
Andre avsetninger for forpliktelser		7 708	0
Sum avsetning for forpliktelser		14 395	5 861
<i>Kortsiktig gjeld</i>			
Leverandørgjeld	15, 18	76 078	35 172
Betalbar skatt	11	0	0
Skyldige offentlige avgifter		14 463	10 465
Gjeld konsernkontoordning	14	0	0
Annen kortsiktig gjeld	15, 18	158 254	135 624
Sum kortsiktig gjeld		248 795	181 261
Sum gjeld		263 189	187 123
Sum egenkapital og gjeld		284 288	213 067

Bergen, 29. april 2024

Simen Lieungh

Simen Lieungh
Styreleder

Lars Harald Norheim

Lars Harald Norheim
Daglig leder

Frederik Glenjen

Frederik Glenjen
Styremedlem

Harald Asle Hereid

Harald Asle Hereid
Styremedlem

Jone Torstensen

Jone Torstensen
Styremedlem

Kurt Werner Holsæter

Kurt Werner Holsæter
Styremedlem



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Odfjell Well Services Norway AS

Kontantstrømoppstilling

Beløp vises i tusen kr

	Note	2023	2022
Kontantstrømmer fra operasjonelle aktiviteter			
Resultat før skattekostnad		35 060	21 422
Periodens betalte skatt		0	0
Gevinst ved salg av anleggsmidler		-674	-1 593
Ordinære avskrivninger	6, 7	2 867	1 778
Endring i kundefordringer og leverandørgjeld		32 368	-18 444
Forskjeller i pensjonsmidler/-forpliktelser		825	103
Endring i andre tidsavgrensningsposter		14 925	1 507
Endring i kortsiktig konsernmellomværende ekskl. konsernbidrag		-2 609	55 973
Netto kontantstrøm fra operasjonelle aktiviteter		82 762	60 746
Kontantstrømmer fra investeringsaktiviteter			
Innbetalinger ved salg av varige driftsmidler		0	1 593
Utbetalinger ved kjøp av varige driftsmidler		-3 298	-4 410
Netto kontantstrøm fra investeringsaktiviteter		-3 298	-2 818
Kontantstrømmer fra finansieringsaktiviteter			
Inn-/utbetalinger av konsernbidrag		-20 237	-3 416
Netto endring fordring / gjeld konsernkontoordning	14	-55 953	-49 995
Netto kontantstrøm fra finansieringsaktiviteter		-76 190	-53 412
Netto endring i likvider i året		3 273	4 517
Kontanter og bankinnskudd per 01.01	15	10 626	6 110
Kontanter og bankinnskudd per. 31.12		13 900	10 626



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Note 1 - Regnskapsprinsipper

Årsregnskapet består av resultatregnskap, balanse, noteopplysninger, kontantstrømoppstilling og er avlagt i samsvar med regnskapslov og god regnskapsskikk i Norge. Norske kroner benyttes som funksjonell og rapporterings valuta i regnskapet.

Selskapet er en del av Odfjell Technology konsernet. Det ultimate morselskap er Odfjell Technology Ltd som har forretningskontor i Aberdeen, Scotland.

Konsernregnskapet er tilgjengelig på selskapets hjemmeside www.odfjelltechnology.com.

Klassifisering og vurdering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter balansedagen, samt poster som knytter seg til varekretsløpet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Anleggsmidler med begrenset økonomisk levetid avskrives planmessig. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Fordringer

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene. I tillegg gjøres det for øvrige kundefordringer en uspesifisert avsetning for å dekke antatt tap.

Varebeholdninger

Lager av innkjøpte varer er verdsatt til laveste av anskaffelseskost og virkelig verdi. Anskaffelseskost vurderes etter FIFO- prinsippet. Egentilvirkede ferdigvarer og varer under tilvirkning er vurdert til full tilvirkningskost. Det foretas nedskrivning for påregnelig ukurans.

Varige driftsmidler

Varige driftsmidler balanseføres og avskrives lineært over driftsmidlets forventede levetid. Vesentlige driftsmidler som består av betydelige komponenter med ulik levetid er dekomponert med ulik avskrivningstid for de ulike komponentene. Direkte vedlikehold av driftsmidler kostnadsføres løpende under driftskostnader, mens påkostninger eller forbedringer tillegges driftsmidlets kostpris og avskrives i takt med driftsmidlet. Dersom gjenvinnbart beløp av driftsmiddelet er lavere enn balanseført verdi foretas nedskrivning til gjenvinnbart beløp. Gjenvinnbart beløp er det høyeste av netto salgsverdi og verdi i bruk. Verdi i bruk er nåverdien av de fremtidige kontantstrømmene som eiendelen forventes å generere.



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Valuta

Transaksjoner i annen valuta som er med i resultatregnskapet er omregnet til norske kroner etter gjeldende kurs på transaksjonstidspunktet. Pengeposter i utenlandsk valuta er omregnet til norske kroner ved å benytte balansedagens kurs. Ikke-pengeposter som måles til historisk kurs uttrykt i utenlandsk valuta, omregnes til norske kroner ved å benytte valutakursen på transaksjonstidspunktet. Ikke-pengeposter som måles til virkelig verdi uttrykt i utenlandsk valuta, omregnes til valutakursen fastsatt på balansetidspunktet. Valutakursendringer resultatføres løpende i regnskapsperioden.

Leasing / leieavtaler

Det skilles mellom finansiell og operasjonell leasing. Driftsmidler finansiert ved finansiell leasing er regnskapsmessig klassifisert under varige driftsmidler. Motposten er medtatt som langsiktig gjeld. Leiebeløp fordeles mellom rentekostnad og avdrag på gjelden.

Operasjonell leasing kostnadsføres som driftskostnad basert på fakturert leasingleie.

Immaterielle eiendeler

Immaterielle eiendeler som er kjøpt separat måles ved førstegangs innregning til kost. I senere perioder regnskapsføres immaterielle eiendeler til kost fratrukket akkumulerte av- og nedskrivninger.

Internt genererte immaterielle eiendeler, med unntak av utviklingskostnader som er innregnet i oppstilling av finansiell stilling, kostnadsføres løpende.

Immaterielle eiendeler med bestemt levetid avskrives over utnyttbar levetid. Utnyttbar levetid og avskrivningsmetode for immaterielle eiendeler med bestemt levetid vurderes minst én gang i året. Lineære avskrivninger brukes for de fleste immaterielle eiendeler da dette best reflekterer forbruket av eiendelene. Gevinst eller tap ved avgang av immaterielle eiendeler beregnes som differansen mellom netto salgsinntekt og eiendelens regnskapsførte verdi, og rapporteres som inntekter og kostnader på separate linjer i resultatregnskapet.

Pensjoner

Pensjonskostnader og pensjonsforpliktelser beregnes etter lineær opptjening basert på forventet sluttlønn. Beregningen er basert på en rekke forutsetninger herunder diskonteringsrente, fremtidig regulering av lønn, pensjoner og ytelser fra folketrygden, fremtidig avkastning på pensjonsmidler samt aktuarmessige forutsetninger om dødelighet og frivillig avgang. Pensjonsmidler er vurdert til virkelig verdi og fratrukket i netto pensjonsforpliktelser i balansen. Endringer i forpliktelsen som skyldes endringer i pensjonsplaner fordeles over antatt gjenværende opptjeningstid. Endringer i forpliktelsen og pensjonsmidlene som skyldes endringer i og avvik i beregningsforutsetningene (estimatendringer) fordeles over antatt gjennomsnittlig gjenværende opptjeningstid hvis avvikene ved årets begynnelse overstiger 10 % av det største av brutto pensjonsforpliktelser og pensjonsmidler.

Skatter

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet og nettoført. Netto utsatt skattefordel balanseføres i den grad det er sannsynlig at denne kan bli nyttiggjort.

Bruk av estimater

Ledelsen har brukt estimater og forutsetninger som har påvirket resultatregnskapet og verdsettelsen av eiendeler og gjeld, samt usikre eiendeler og forpliktelser på balansedagen under utarbeidelsen av årsregnskapet i henhold til god regnskapsskikk.

Kontantstrømoppstilling



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Kontantstrømoppstillingen er utarbeidet etter den indirekte metode. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige, likvide plasseringer.

Note 2 - Salgsinntekter

Beløp vises i tusen kr

	2023	2022
<i>Pr. virksomhetsområde</i>		
Utleie av utstyr	735 270	564 972
Utleie av personell	140 600	100 884
Verkstedtjenester	15 083	14 565
Andre driftsinntekter	23 379	28 908
Gevinst ved salg av anleggsmidler	2 543	1 593
	<u>916 875</u>	<u>710 921</u>

Selskapets driftsinntekter er i hovedsak knyttet til aktivitet utført i Norge.

For nærmere informasjon om salgstransaksjoner med nærstående se note 3.

Note 3 - Nærstående transaksjoner - Inntekt fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser.

Beskrivelse nærstående	Type transaksjon	2023	2022
OT Ltd Group - konsernselskap	Utleie av utstyr	81 524	63 625
OT Ltd Group - konsernselskap	Utleie personell	27 533	20 890
OT Ltd Group - konsernselskap	Andre tjenester*	9 172	16 155
OT Ltd Group - konsernselskap	Salg av utstyr	386	974
OD Ltd Group - nærstående part	Utleie av utstyr	247 216	240 722
OD Ltd Group - nærstående part	Utleie personell	26 185	31 214
OD Ltd Group - nærstående part	Andre tjenester*	24 892	28 620
OD Ltd Group - nærstående part	Salg av utstyr	12 047	1 477
Sum		<u>428 956</u>	<u>403 676</u>

*Består av viderefakturerering, og annet diverse salg.
For kjøp/kostnad fra nærstående parter, se note 9.

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).



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Note 4 - Lønnskostnader, antall ansatte, lån til ansatte og godtgjørelse til revisor

Beløp vises i tusen kr

Lønnskostnader	2023	2022
Lønninger	154 246	122 186
Arbeidsgiveravgift	26 080	20 015
Pensjonskostnader, se note 5	8 677	6 854
Andre ytelser	6 961	3 684
Allokert lønnskostnad fra Odfjell Well Services AS*	53 644	23 984
Innleid personell	6 521	49 493
Sum	256 129	226 217

Selskapet har i regnskapsåret sysselsatt totalt 169 årsverk.

Ytelser til ledende personer

*Daglig leder er ansatt i søsterselskapet Odfjell Well Services AS og lønnes derfra. Kostnadene knyttet til daglig leder inngår i belastningen fra Odfjell Well Services AS. For spesifikasjon av ytelser til daglig leder, se note 4 i årsregnskapet til søsterselskapet Odfjell Well Services AS.

Styret har ikke mottatt godtgjørelse i 2023.

Selskapet er pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne loven.

Det er ikke ytt lån eller stilt garantier til daglig leder, styret eller andre nærstående parter utover spesifisert i note 15.

Godtgjørelse til revisor er fordelt på følgende:	2023	2022
Lovpålagt revisjon	271	110

Merverdiavgift er ikke inkludert i revisjonshonoraret.



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Note 5 - Pensjoner

Beløp vises i tusen kr

Selskapet er pliktig til å ha tjenstepensjonsordning etter lov om obligatorisk tjenstepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne lov.

Selskapet har en innskuddspensjonsordning som omfatter 135 personer pr. 31.12.2023 (146 personer pr. 31.12.2022).

Selskapet har en usikret forpliktelse knyttet til gavepensjon på inntil 1G årlig i perioden 62-67 år ved fratredelse av stilling.

Forpliktelser i (ny) AFP-ordning

Selskapet er medlem av den nye AFP-ordningen. AFP-ordningen er en ordning som gir livslangt tillegg på den ordinære pensjonen. De ansatte kan velge å ta ut den nye AFP-ordningen fra og med fylte 62 år. Den nye AFP-ordningen er en ytelsesbasert flerforetakspensjonsordning og finansieres gjennom premier som fastsettes som en prosent av lønn. Foreløpig foreligger ingen pålitelig måling og allokering av forpliktelse og midler i ordningen. Regnskapsmessig blir ordningen behandlet som en innskuddsbasert pensjonsordning hvor premiebetalingen kostnadsføres løpende, og ingen avsetning foretas i regnskapet.

	2023	2022
Nåverdi av årets pensjonsopptjening	546	594
Rentekostnad av pensjonsforpliktelser	177	85
Resultatført aktuarielt tap/ (gevinst)	0	14
Arbeidsgiveravgift	102	96
Netto pensjonskostnad ytelsesordninger	825	789
Kostnad innskuddspensjon	4 935	3 830
Kostnad flerforetaksordning bokført som innskuddsbasert (AFP)	2 918	2 236
Netto pensjonskostnad	8 677	6 854

	2023	2022
Påløpte pensjonsforpliktelser pr. 31.12	4 810	5 545
Beregnete pensjonsforpliktelser	4 810	5 545
Ikke resultatført virkning av estimatavvik	1 198	-466
Arbeidsgiveravgift	678	782
Netto balanseført pensjonsforpliktelse (+) / -midler (-)	6 686	5 861

Økonomiske forutsetninger:	2023	2022
Diskonteringsrente	3,70%	3,20%
Forventet lønnsregulering/pensjonsøkning/G-regulering	3,75%	3,75%
Forventet avkastning på fondsmidler	5,40%	4,90%
Pensjonsregulering	3,50%	3,50%
Regulering av folketrygdens grunnbeløp	3,50%	3,50%

De aktuarmessige forutsetningene er basert på vanlige benyttede forutsetninger innen forsikring når det gjelder demografiske faktorer.



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Note 6 - Immaterielle eiendeler

Beløp vises i tusen kr

	Goodwill	Sum
Anskaffelseskost pr 01.01.	22 786	22 786
Anskaffelseskost 31.12.	22 786	22 786
Akk.avskrivninger 31.12.	-22 786	-22 786
Balanseført verdi pr.31.12.	0	0
Årets avskrivninger	217	217
Økonomisk levetid	20 år	
Avskrivningsplan	Lineær	

Balanseført goodwill er fra mars 2002 og kom inn i selskapets balanse i forbindelse med restrukturering av Odfjell Drilling-konsernet i 2007. Goodwill avskrives over 20 år da selskapets industrielle forretningsaktivitet er langsiktig. Siden balansen først kom inn i selskapet i 2007 er det bare 15,25 av årene som avskrives i selskapet.

Det er verdt å merke seg at i løpet av 2023 har selskapet avskrevet Goodwillen i henhold til avskrivningsplan, og bokført verdi er følgelig redusert til 0 per 31.12.2023.

Note 7 - Varige driftsmidler

Beløp vises i tusen kr

	Tomt	Under utførelse*	Leieutstyr*	Andre driftsmidler*	Sum
Anskaffelseskost 01.01.	616	7 303	363 004	64 432	435 355
Tilgang kjøpte driftsmidler	0	2 065	0	1 233	3 298
Avgang ferdig avskrevet driftsmidler	0	0	-39 816	0	-39 816
Flyttet til andre driftsmidler	0	-7 303	0	7 303	0
Anskaffelseskost 31.12.	616	2 065	323 188	72 968	398 837
Akk.avskrivning 31.12.	-616	0	-318 880	-62 403	-381 898
Balanseført pr. 31.12.	0	2 065	4 308	10 566	16 939
Årets avskrivninger	616	0	767	1 267	2 650
Økonomisk levetid	Under utførelse	Uendelig	3 - 10 år	3 - 10 år	
Avskrivningsplan	Lineær	Lineær	Lineær	Lineær	

*Sum bokført verdi: Under utførelse + Leieutstyr + Andre driftsmidler = NOK 16 939 tusen.

*Under utførelse: starter avskrivning fra 2024.



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Note 8 - Driftskostnader

Beløp vises i tusen kr

	2023	2022
Innleie av utstyr	325 727	264 339
Reperasjon og vedlikehold	89 271	24 656
Transport og frakt	19 692	10 742
Kjøp av managementtjenester (konsern)	44 616	30 671
Andre drifts- og administrasjonskostnader	138 479	129 076
Sum	617 785	459 483

For nærmere informasjon om kostnadstransaksjoner med nærstående se note 9.

Note 9 - Nærstående transaksjoner - kjøp/kostnad fra nærstående parter

Beløp vises i tusen kr

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).

Beskrivelse nærstående part	Type transaksjon	2023	2022
OT Ltd Group - konsernselskap	Innleid utstyr	262 851	219 944
OT Ltd Group - konsernselskap	Management tjenester	125 621	27 999
OT Ltd Group - konsernselskap	Kjøp av utstyr	14 774	6 995
OT Ltd Group - konsernselskap	Kostnader knyttet til lokaler	9 508	9 413
OD Ltd Group - nærstående part	Innleid utstyr	107	0
OD Ltd Group - nærstående part	Management tjenester	351	2 672
OD Ltd Group - nærstående part	Kjøp av utstyr	822	0
OD Ltd Group - nærstående part	Kostnader knyttet til lokaler	1 044	491
Sum		415 078	267 513



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Note 10 - Finansinntekter og kostnader

Beløp vises i tusen kr

Finansinntekter

	2023	2022
Renteinntekter	3 760	356
Andre finansinntekter	0	2
Sum finansinntekter	3 760	358

Finanskostnader

	2023	2022
Rentekostnader	-3 624	-730
Netto valutatap	-5 162	-1 595
Andre finanskostnader	-8	-54
Sum finanskostnader	-8 794	-2 380



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Note 11 - Skatt

Beløp vises i tusen kr

Årets skattekostnad fordeler seg på:	2023	2022
Betalbar skatt	9 064	4 452
Endring utsatt skatt	-1 293	379
Årets totale skattekostnad	<u>7 771</u>	<u>4 831</u>

Beregning av årets skattegrunnlag:	2023	2022
Ordinært resultat før skattekostnad	35 060	21 422
Permanente forskjeller	261	539
Endring i midlertidige forskjeller	5 878	-1 724
Alminnelig inntekt	<u>41 199</u>	<u>20 237</u>
Ytet konsernbidrag	<u>-41 199</u>	<u>-20 237</u>
Årets skattegrunnlag	<u>0</u>	<u>0</u>
Betalbar skatt (22%) av årets skattegrunnlag	0	0

Oversikt over midlertidige forskjeller	2023	2022
Driftsmidler inkl goodwill	346	-540
Varebeholdning	-2 261	-2 261
Utestående fordringer	0	-1 769
Avsetninger til tap på kontrakter, prosjekter mv	-7 708	0
Netto pensjonsforpliktelse som er ført i balansen	<u>-6 686</u>	<u>-5 861</u>
Netto midlertidige forskjeller pr 31.12	<u>-16 309</u>	<u>-10 431</u>
Utsatt skattefordel/Utsatt skatt (22%)	-3 588	-2 295

Forklaring til hvorfor årets skattekostnad ikke utgjør 22% av resultat før skatt

	2023
22% skatt av resultat før skatt	7 713
Permanente forskjeller (22%)	<u>57</u>
Beregnet skattekostnad	<u>7 771</u>

Effektiv skattesats *) 22,2 %

*) Skattekostnad i forhold til resultat før skatt

Note 12 - Egenkapital

Beløp vises i tusen kr

	Aksjekapital	Annen innskutt egenkapital	Annen egenkapital	Sum
Egenkapital 01.01.2023	828	11 852	13 264	25 944
Årsresultat	0	0	27 290	27 290
Avgitt konsernbidrag	0	0	-32 135	-32 135
Egenkapital 31.12.2023	<u>828</u>	<u>11 852</u>	<u>8 419</u>	<u>21 099</u>



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Note 13 - Varer

Beløp vises i tusen kr

	2023	2022
Varer i arbeid	344	0

Varer i arbeid består av timer medgått til produksjon av utstyr som er bestilt av utstyrseier i OWS divisjonen av Odfjell Technology konsernet. Reservedelene til varer har unike serienummer og virkelig anskaffelseskost er derfor brukt ved vurdering av laveste verdi av anskaffelseskost og virkelig verdi. For cuttere er ikke virkelig anskaffelseskost mulig å tilordne og gjennomsnittlig anskaffelseskost er derfor brukt.

Reservedelslageret er nedskrevet til laveste verdi av anskaffelse og antatt salgsverdi.

Note 14 - Kundefordringer og andre kortsiktige fordringer

Beløp vises i tusen kr

<i>Kundefordringer</i>	2023	2022
Kundefordringer - ekstern, brutto beløp	100 628	83 264
Avsetning tap på fordringer	0	-1 769
Kundefordringer - konsern, se note 15	75 806	86 192
Netto bokført verdi kundefordringer	<u>176 434</u>	<u>167 687</u>
<i>Andre kortsiktige fordringer</i>	2023	2022
Til gode MVA	5 905	4 282
Forskuddsbetalte kostnader	1 787	2 140
Andre fordringer	328	419
Sum andre kortsiktige fordringer	<u>8 020</u>	<u>6 841</u>
<i>Konsernkontoordning</i>	2023	2022
Konsernkontoordning	65 063	9 110
Netto fordring + / gjeld - konsernkontoordning per 31.12	<u>65 063</u>	<u>9 110</u>

Selskapets driftskontoer inngår i konsernkontoordning hvor Odfjell Technology Ltd per 31.12.2023 er konsernkontoeier og således eier av bankmidlene. Konsernkontosystemet er opprettet for å bidra til en optimal likviditetsstyring i Odfjell Technology Ltd. konsernet. Selskapet har solidaransvar for innskudd i konsernkontoordning, og har ikke separatistrettighet for midler som inngår i konsernkontoordningen. Netto innestående på konsernkontoordningen klassifiseres som annen kortsiktig fordring i balansen, mens netto trekk er klassifisert som annen kortsiktig gjeld og er vist på egen linje i balansen.



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Note 15 - Mellomværende med selskap i samme konsern m.v

Beløp vises i tusen kr

Fordringer og gjeld mellom konsernselskaper (samme konsern) og konsernselskaper (nærstående konsern) knytter seg til den løpende drift og konsernbidrag.

<i>Kortsiktige driftsrelaterte fordringer</i>	2023	2022
OT Ltd Group - konsernselskap	26 869	24 762
OD Ltd Group - nærstående part	44 255	61 430
Sum driftsrelaterte fordringer	<u>71 124</u>	<u>86 192</u>
<i>Kortiktig driftsrelatert gjeld</i>	2023	2022
OT Ltd Group - konsernselskap	-156 872	-100 498
OD Ltd Group - nærstående part	-181	-245
Sum driftsrelatert gjeld	<u>-157 053</u>	<u>-100 744</u>
<i>Konsernbidrag</i>	2023	2022
OT Ltd Group - konsernselskap - avgitt konsernbidrag	-41 199	-20 237
Sum konsernbidrag	<u>-41 199</u>	<u>-20 237</u>

Konsernets kortsiktige mellomværende forfaller til betaling innen ett år etter regnskapsårets utgang.

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).

Note 16 - Bankinnskudd

Beløp vises i tusen kr

	2023
Bundne skattetrekksmidler utgjør	7 304

Note 17 - Aksjekapital og aksjonærinformasjon

Balanseført beløp vises i tusen kr

Aksjekapitalen består av:

	Antall	Pålydende	Balanseført
Ordinære aksjer	1 780	465,28427	828

Alle aksjer i selskapet tilhører samme aksjeklasse, og har like stemmerettigheter.

Oversikt over aksjonærene i selskapet pr. 31.12:

	Ordinære aksjer	Eierandel	Stemmeandel
Odfjell Technology Invest Ltd	1 780	100 %	100 %

Det ultimate morselskap er Odfjell Technology Ltd hvor Odfjell Well Services Norway AS inngår i konsolideringen. Konsernregnskap blir offentliggjort på www.odfjelltechnology.com.



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Odfjell Well Services Norway AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 18 - Annen kortsiktig gjeld

Beløp vises i tusen kr

<i>Annen kortsiktig gjeld</i>	2023	2022
Skyldig lønnsgodtgjørelse og feriepenger	-16 515	-13 247
Andre påløpte kostnader	-6 451	-6 001
Annen kortsiktig gjeld konsernselskap, se note 15	-135 288	-116 376
Sum annen kortsiktig gjeld	<u>-158 254</u>	<u>-135 624</u>
 <i>Leverandørgjeld</i>		
Leverandørgjeld - ekstern	-54 313	-30 567
Leverandørgjeld - konsern, se note 15	-21 765	-4 604
Sum leverandørgjeld	<u>-76 078</u>	<u>-35 172</u>

Note 19 - Garantistillelse

Konsernet Odfjell Technology har fellesregistrering knyttet til merverdiavgift for konsernets avgiftsregistrerte foretak. Selskapet inngår i denne fellesregistreringen og er således solidarisk ansvarlig for skyldig merverdiavgift i Norge.



KPMG AS
Kanalveien 11
P.O. Box 4 Kristianborg
N-5822 Bergen

Telephone +47 45 40 40 63
Internet www.kpmg.no
Enterprise 935 174 627 MVA

Til generalforsamlingen i Odfjell Well Services Norway AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert årsregnskapet for Odfjell Well Services Norway AS som består av balanse per 31. desember 2023, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2023, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke informasjonen i årsberetningen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder

Offices in:

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bode	Knaresund	Stord	Ålesund
Drammen	Kristiansund	Straume	

Penneo Dokumentnøkkel: 061KX-SS53G-2FCGS-ZZE74-307LH-JOLKL



vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av intern kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.

Bergen

KPMG AS

Ståle Christensen
Statsautorisert revisor
(elektronisk signert)

Penneo Dokumentnr: 06iKX-SSSG-2FCGS-ZZE74-307LH-JOLKL



PENNEO

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Christensen, Ståle

Partner

På vegne av: KPMG AS

Serienummer: no_bankid:9578-5999-4-1660746

IP: 80.232.xxx.xxx

2024-05-10 10:45:26 UTC



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ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 983 793 347
Organisasjonsform: Aksjeselskap
Foretaksnavn: ODFJELL WELL SERVICES NORWAY AS
Forretningsadresse: Hammaren 19
4056 TANANGER

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Thomas Pettersen
Dato for fastsettelse av årsregnskapet: 03.05.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 18.02.2025



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Driftsinntekter	2, 3	709 328 000	553 376 000
Gevinst ved salg av driftsmidler	2	1 593 000	3 000
Sum inntekter		710 921 000	553 379 000
Kostnader			
Lønnskostnad	4, 5	226 217 000	224 809 000
Avskrivning	6, 7	1 778 000	3 280 000
Annen driftskostnad	4, 8, 9	459 483 000	307 905 000
Sum kostnader		687 478 000	535 993 000
Driftsresultat		23 443 000	17 385 000
Finansinntekter og finanskostnader			
Finansinntekt	10	358 000	445 000
Sum finansinntekter		358 000	445 000
Finanskostnad	10	2 380 000	1 456 000
Sum finanskostnader		2 380 000	1 456 000
Netto finans		-2 021 000	-1 011 000
Ordinært resultat før skattekostnad		21 422 000	16 374 000
Skattekostnad på ordinært resultat	11	4 831 000	3 916 000
Ordinært resultat etter skattekostnad		16 591 000	12 458 000
Årsresultat	19	16 591 000	12 458 000
Overføringer og disponeringer			
Avgitt konsernbidrag	12	15 785 000	12 113 000
Overføringer annen egenkapital	12	806 000	345 000
Sum overføringer og disponeringer		16 591 000	12 458 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	11	2 295 000	2 674 000
Goodwill	6	217 000	725 000
Sum immaterielle eiendeler		2 512 000	3 398 000
Varige driftsmidler			
Tomt	7	4 369 000	616 000
Maskiner og inventar	7	11 921 000	12 536 000
Sum varige driftsmidler		16 290 000	13 151 000
Sum anleggsmidler		18 802 000	16 550 000
Omløpsmidler			
Varer			
Sum varer	13		1 323 000
Fordringer			
Kundefordringer	14, 15	167 687 000	146 936 000
Andre fordringer	14	6 841 000	10 412 000
Sum fordringer	14	183 638 000	157 348 000
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	16	10 626 000	6 110 000
Sum omløpsmidler		194 264 000	164 780 000
SUM EIENDELER		213 067 000	181 330 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	12, 17	828 000	828 000



Balanse

Beløp i: NOK	Note	2022	2021
Annen innskutt egenkapital	12	11 852 000	11 852 000
Sum innskutt egenkapital		12 680 000	12 680 000
Opptjent egenkapital			
Annen egenkapital	12	13 264 000	12 458 000
Sum opptjent egenkapital		13 264 000	12 458 000
Sum egenkapital		25 944 000	25 138 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	5	5 861 000	5 758 000
Sum avsetninger for forpliktelser		5 861 000	5 758 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		5 861 000	5 758 000
Kortsiktig gjeld			
Leverandørgjeld	15, 18	35 172 000	34 188 000
Betalbar skatt	11	0	0
Skyldige offentlige avgifter		10 465 000	10 993 000
Annen kortsiktig gjeld	15, 18	135 624 000	64 367 000
Sum kortsiktig gjeld	14	181 261 000	150 433 000
Sum gjeld		187 123 000	156 192 000
SUM EGENKAPITAL OG GJELD		213 067 000	181 330 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 482005

Enheten

Organisasjonsnummer: 983 793 347
Organisasjonsform: Aksjeselskap
Foretaksnavn: ODFJELL WELL SERVICES NORWAY AS
Forretningsadresse: Hammaren 19
4056 TANANGER

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Thomas Pettersen
Dato for fastsettelse av årsregnskapet: 03.05.2023

Grunnlag for avgivelse

År 2022: Årsregnskap er elektronisk innlevert.
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 19.06.2023



Organisasjonsnr: 983 793 347
ODFJELL WELL SERVICES NORWAY AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Driftsinntekter	2, 3	709 328 000	553 376 000
Gevinst ved salg av driftsmidler	2	1 593 000	3 000
Sum inntekter		710 921 000	553 379 000
Kostnader			
Lønnskostnad	4, 5	226 217 000	224 809 000
Avskrivning	6, 7	1 778 000	3 280 000
Annen driftskostnad	4, 8, 9	459 483 000	307 905 000
Sum kostnader		687 478 000	535 993 000
Driftsresultat		23 443 000	17 385 000
Finansinntekter og finanskostnader			
Finansinntekt	10	358 000	445 000
Sum finansinntekter		358 000	445 000
Finanskostnad	10	2 380 000	1 456 000
Sum finanskostnader		2 380 000	1 456 000
Netto finans		-2 021 000	-1 011 000
Ordinært resultat før skattekostnad			
Skattekostnad på ordinært resultat	11	4 831 000	3 916 000
Ordinært resultat etter skattekostnad		16 591 000	12 458 000
Årsresultat	19	16 591 000	12 458 000
Overføringer og disponeringer			
Avgitt konsernbidrag	12	15 785 000	12 113 000
Overføringer annen egenkapital	12	806 000	345 000
Sum overføringer og disponeringer		16 591 000	12 458 000



Organisasjonsnr: 983 793 347
ODFJELL WELL SERVICES NORWAY AS

BALANSE

Beløp i: NOK	Note	2022	2021
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BALANSE - EIENDELER

Anleggsmidler

Immaterielle eiendeler

Utsatt skattefordel	11	2 295 000	2 674 000
Goodwill	6	217 000	725 000
Sum immaterielle eiendeler		2 512 000	3 398 000

Varige driftsmidler

Tomt	7	4 369 000	616 000
Maskiner og inventar	7	11 921 000	12 536 000
Sum varige driftsmidler		16 290 000	13 151 000

Sum anleggsmidler		18 802 000	16 550 000
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Omløpsmidler

Varer

Sum varer	13		1 323 000
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Fordringer

Kundefordringer	14, 15	167 687 000	146 936 000
Andre fordringer	14	6 841 000	10 412 000
Sum fordringer	14	183 638 000	157 348 000

Bankinnskudd, kontanter og lignende

Sum bankinnskudd, kontanter og lignende	16	10 626 000	6 110 000
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Sum omløpsmidler		194 264 000	164 780 000
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SUM EIENDELER		213 067 000	181 330 000
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BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Aksjekapital	12, 17	828 000	828 000
Annen innskutt egenkapital	12	11 852 000	11 852 000
Sum innskutt egenkapital		12 680 000	12 680 000

Opptjent egenkapital

Annen egenkapital	12	13 264 000	12 458 000
Sum opptjent egenkapital		13 264 000	12 458 000

Sum egenkapital		25 944 000	25 138 000
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Gjeld



Langsiktig gjeld			
Pensjonsforpliktelser	5	5 861 000	5 758 000
Sum avsetninger for forpliktelser		5 861 000	5 758 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		5 861 000	5 758 000
Kortsiktig gjeld			
Leverandørgjeld	15, 18	35 172 000	34 188 000
Betalbar skatt	11	0	0
Skyldige offentlige avgifter		10 465 000	10 993 000
Annen kortsiktig gjeld	15, 18	135 624 000	64 367 000
Sum kortsiktig gjeld	14	181 261 000	150 433 000
Sum gjeld		187 123 000	156 192 000
SUM EGENKAPITAL OG GJELD		213 067 000	181 330 000



Organisasjonsnr: 983 793 347
ODFJELL WELL SERVICES NORWAY AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
17

Antall aksjer og aksjeeiere

Aksjeklasse	Ant. aksjer	Pålydende	Bokført verdi
Ordinære aksjer	1780.00	465.28	828206.00
Aksjeeiere - fritekst	Antall	Eierandel	Aksjeklasse
Odfjell Technology Invest Ltd	1780.00	100.00%	Ordinære aksjer
Sum	Sum antall	Sum eierandel	
	1780.00	100.00%	

Det ultimate morselskap er Odfjell Technology Ltd hvor Odfjell Well Services Norway AS inngår i konsolideringen. Konsernregnskap blir offentliggjort på www.odfjelltechnology.com.

Note
4

Lønn og ytelser

Lønn	Årets	Fjorårets
	122317712000.00	127384192000.00
Arbeidsgiveravgift	Årets	Fjorårets
	20015165000.00	20674355000.00
Pensjonskostnader	Årets	Fjorårets
	6853616000.00	6190823000.00
Andre ytelser	Årets	Fjorårets
	77030049000.00	70559334000.00
Sum lønnskostnader	Årets	Fjorårets
	226216542000.00	224808704000.00

Note

Ytelser til ledende personer



Er det gitt ytelser til ledende person: Nei

Ytelser til daglig leder

<u>Ytelser</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
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*Daglig leder er innleid som en del av managementtjenestene som leveres fra Odfjell Well Services AS. Kostnaden er inkludert i management fee. Selskapet er pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne loven.

Note

Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	110000000.00	105100000.00

<u>Andre tjenester</u>	<u>Årets</u>	<u>Fjorårets</u>
		60000000.00

<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	110000000.00	165100000.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
144.00

Note

Lån og sikkerhetsstillelse til ledende personer og aksjeeiere

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Skattemessig fremf.undersk.</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Kortsiktig gjeld</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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Odfjell Well Services Norway AS

Årsrapport for 2022

Årsberetning

Årsregnskap

- Resultatregnskap
- Balanse
- Kontantstrømoppstilling
- Noter

Revisjonsberetning



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Odfjell Well Services Norway AS

Årsberetning 2022

Odfjell Well Services Norway AS

Adresse: Hammaren 19, 4056 Tananger

Org.nr: 983 793 347 MVA

Virksomhetens art

Odfjell Well Services Norway AS (OWSN) er en betydelig leverandør av foringsrør (casing) tjenester, nedihullsutstyr og utleieutstyr onshore og offshore i og rundt Nordsjøen.

Selskapet har virksomhet både offshore og onshore der aktiviteten offshore i hovedsak består av utleie av utstyr samt personell til å betjene deler av utstyret. Selskapet leverer både til konserninterne og eksterne kunder.

Odfjell Well Services Norway AS har hovedkontor i Tananger.

Fremtidig utvikling

Selskapet har en god spredning i kundemassen og majoriteten av inntektene kommer fra langsiktige rammekontrakter. Konkurransen i markedet er fortsatt sterk.

Innenfor markedet for casing/foringsrørtjenester har OWSN to direkte konkurrenter. OWSN AS sin markedsandel innenfor casing/ foringsrørtjenester i Norge er ca. 40 %.

Et vesentlig fall i aktivitet i markedet generelt vil påvirke etterspørselen av selskapets tjenester. Nåværende forventninger fremover for bransjen, ser lovende ut med tanke på aktivitet og man forventer god etterspørsel etter selskapets tjenester fremover.

Utvikling av ny teknologi/nytt utstyr i forbindelse med kjøring av foringsrør har blitt positivt mottatt av eksisterende kunder de siste årene. Det vil fortsatt være fokus på ny teknologi og nye produkter og selskapets målsetning er å opprettholde eksisterende kunder samt vinne nye kontrakter.

Det vil imidlertid alltid være knyttet usikkerhet til vurderinger av fremtidige markedsforhold.

Styret mener at det fremlagte årsregnskapet gir et rettviseende bilde over utviklingen og resultatet av foretakets virksomhet og stilling.

Resultat, investeringer, finansiering og likviditet

Resultat

Omsetningen i selskapet var i 2022 på 709 mill. kr (mot 553 mill. kr i 2021). Årsresultatet etter skatt ble 16 mill. kr mens tilsvarende tall for 2021 var 12 mill. kr. Økning i resultat skyldes i hovedsak økt aktivitetsnivå, videre har selskapet sikret seg nye kontrakter med selskaper innenfor samme konsern.

Balanse

Selskapets kortsiktige gjeld pr. 31.12.22 utgjorde 96 % av samlede forpliktelser. Selskapets finansielle stilling pr. 31.12.22 anses som tilfredsstillende. Totalkapitalen i selskapet var ved utgangen av året 213 mill. kr, sammenlignet med 181 mill. kr året før. Egenkapitalandelen pr. 31.12.22 var 12 % sammenlignet med 13 % pr. 31.12.21.



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Odfjell Well Services Norway AS

Kontantstrøm

Pr. 31.12.22 hadde selskapet en likviditetsbeholdning på 10,6 mill. kr. Selskapet er en del av konsernkontoordningen hvor Odfjell Technology Ltd er konsernkontoeier og således eier av bankmidlene. Vi anser dermed tilgang til likvider som tilfredsstillende.

Det har ikke inntrådt forhold etter regnskapsårets utgang som er av vesentlig betydning ved bedømmelse av selskapets resultat og stilling.

Markedsrisiko

Selskapet er eksponert for svingninger i etterspørsel etter boreutstyr, og således eksponert for svingninger i bransjen. Selskapet har en relativt stor markedsandel i Norge, og har derfor blitt påvirket av svingningene i markedet i 2022 men dette har stabilisert seg ettersom pandemien har gått mer og mer over og vi nå nærmer oss en normalsituasjon etter pandemien. Selskapets valutarisiko er begrenset og det er ikke tatt i bruk noen finansielle instrumenter.

Kreditrisiko

Majoriteten av selskapets kunder er større solide operatør- og serviceselskaper. Risiko for at motparten ikke har økonomisk evne til å oppfylle sine forpliktelser anses derfor som lav selv om markedet har hatt en nedgang siste året. Nye kunder kreditt vurderes før endelig avtale blir inngått, i tillegg har selskapet kontinuerlig oppfølgende av ikke betalte poster for å vurdere behov for ytterligere oppfølging enn normale purreutiner.

Likviditetsrisiko

Selskapet vurderer likviditeten i selskapet som god, og det er ikke besluttet å innføre tiltak som endrer likviditetsrisiko.

Fortsatt drift

Årsregnskapet er avlagt under forutsetning om fortsatt drift.

I samsvar med regnskapsloven § 3-3a bekreftes det at forutsetningene om fortsatt drift er til stede. Til grunn for antagelsen ligger resultatprognoser og selskapets langsiktige strategiske prognoser for årene fremover. Selskapet har en sunn økonomisk og finansiell stilling.

Arbeidsmiljø

Arbeidsmiljø:

Arbeidsmiljøet i OWSN betraktes som godt og det iverksettes løpende tiltak for forbedringer. Organisasjonsundersøkelser blir utført hvert år for landansatte og hvert annet år for offshoreansatte.

Gjennomsnittlig antall ansatte for 2022 er 142. Ved utgangen av 2022 var det 144 ansatte i OWSN, derav 3 kvinner. De som er ansatt i selskapet jobber enten offshore eller på verksted på Tananger. Selskapets driftsadministrasjon har sitt ansettelsesforhold i et annet selskap i Odfjell Technology konsernet.

Turnover for 2022 var på 3,44 %. Tilsvarende tall for 2021 var 4 %.

Sykefravær:

Totalt sykefravær for OWSN i 2022 var på 9,6 %. Tilsvarende tall for 2021 var 10,7 %. Sykefraværet uten Covid-19 var på 9,6 %

Oppfølging og forebygging av sykefraværet har hatt høy fokus.

OWSN har i 2022 hatt 1 medisinsk behandlingsskade.

Forsikring for styrets medlemmer og daglig leder:

Det er tegnet forsikring på konsernnivå for styrets medlemmer og daglig leder for deres mulige ansvar overfor selskapet og tredjepersoner. Forsikringen er begrenset til MNOK 75 per år og per hendelse.



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Odfjell Well Services Norway AS

Likestilling

Selskapet har som mål å være en arbeidsplass der det råder full likestilling mellom kvinner og menn. Det er innarbeidet i selskapets policy at det ikke skal forekomme forskjellsbehandling grunnet kjønn i saker som vedrører lønn, avansement, rekruttering etc.

Selskapet har tradisjonelt rekruttert hovedtyngden av sitt personell fra fagmiljøer hvor kvinner i liten grad er representert.

Diskriminering

Selskapet vektlegger at all aktivitet både i Norge og internasjonalt skal gjennomføres i tråd med gjeldende lovgivning nasjonalt og internasjonalt og i henhold til selskapets etiske retningslinjer.

Diskrimineringsloven inngår som en del av det regelverk som er adoptert av selskapet og innarbeidet i selskapets styrende dokumentasjon for all aktivitet i inn og utland.

Redegjørelse i henhold til Likestillings- og diskrimineringsloven §26 er tilgjengelig på Odfjell Technology sin offentlige website; www.odfjelltechnology.com.

Selskapet arbeider aktivt for å forhindre diskriminering som følge av nedsatt funksjonsevne, etnisitet, nasjonal opprinnelse, hudfarge, religion eller livssyn.

Som et ledd i selskapets "Human Right Policy" er det også vedtatt forbud mot alle former for tvangsarbeid eller barnarbeid. All Odfjell Technology's aktivitet skal være i samsvar med internasjonalt anerkjente arbeidsstandarder innenfor områder som lønn, arbeidstid, disiplinære metoder, arbeidsavtaler og arbeidsforhold. Tilsvarende krav skal også håndheves gjennom kontrakter med leverandører, samarbeidspartnere, agenter etc.

Konsernet jobber med å ferdigstille «Human rights policy» i henhold til ikrafttredelse av den nye Åpenhetsloven av 1. juli 2022, som vil være klar innen 30. juni 2023 og vil da være tilgjengelig på Odfjell Technology's offentlige website; www.odfjelltechnology.com.

Ytre miljø

OWSN sitt mål er null skade på ytre miljø. Aktivitet offshore består i all hovedsak av utleie av utstyr og personell. Det brukes ytterst lite kjemikalier i forbindelse med aktivitetene offshore. Ytre miljø påvirkes i liten grad.

Aktivitetene onshore består av vedlikehold av utstyr. Selskapet har to verkstedslokaler på h.h.v. Tananger og Mongstad. Avfall kildesorteres, og leveres så langt som mulig til gjenvinning. Spesialavfall leveres til godkjent mottaker.

Odfjell Well Services Norway AS har ikke hatt noe uønsket utslipp til miljø i 2022.

OWSN har vært sertifisert i henhold til krav i ISO 14001:2004 Miljøstyringssystemer siden 2014. En inngående beskrivelse av prosedyrer, målsetninger og tilhørende måltall for oppnåelse kan finnes i bærekraftrapportene som er gjort offentlig tilgjengelige på konsernets nettside, www.odfjelltechnology.com.

Bergen, 24. april 2023

Styret for Odfjell Well Services Norway AS

Simen Lieungh

Frederik Glenjen

Simen Lieungh

Lars Harald Norheim

Frederik Glenjen

Harald Asle Hereid

Jone Torstensen

Kurt Werner Holsæter

Styremedlem

Styremedlem

Styremedlem

Harald Asle Hereid

Jone Torstensen

Kurt Werner Holsæter

Styremedlem

Styremedlem

Styremedlem



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Odfjell Well Services Norway AS

Resultatregnskap

Beløp vises i tusen kr

	Note	2022	2021
Driftsinntekter			
Driftsinntekter	2, 3	709 328	553 376
Gevinst ved salg av driftsmidler	2	1 593	3
Sum driftsinntekter		710 921	553 379
Driftskostnader			
Lønnskostnad	4, 5	226 217	224 809
Avskrivning	6, 7	1 778	3 280
Annen driftskostnad	4, 8, 9	459 483	307 905
Sum driftskostnader		687 478	535 993
Driftsresultat		23 443	17 385
Finansinntekter og finanskostnader			
Finansinntekt	10	358	445
Finanskostnad	10	2 380	1 456
Netto finansposter		-2 021	-1 011
Ordinært resultat før skattekostnad		21 422	16 374
Skattekostnad på ordinært resultat	11	4 831	3 916
Årsresultat		16 591	12 458
Overføringer og disponeringer			
Avgitt konsernbidrag (etter skatt)	12	15 785	12 113
Overføringer annen egenkapital	12	806	345
Sum disponert		16 591	12 458



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Odfjell Well Services Norway AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2022	2021
Anleggsmidler			
<i>Immaterielle eiendeler</i>			
Utsatt skattefordel	11	2 295	2 674
Goodwill	6	217	725
Sum immaterielle eiendeler		2 512	3 398
<i>Varige driftsmidler</i>			
Tomt	7	616	616
Maskiner og inventar	7	15 675	12 536
Sum varige driftsmidler		16 290	13 151
Sum anleggsmidler		18 802	16 550
Omløpsmidler			
Varelager	13	0	1 323
<i>Fordringer</i>			
Kundefordringer	14, 15	167 687	146 936
Fordring konsernkontoordning	14	9 110	0
Andre fordringer	14	6 841	10 412
Sum fordringer		183 638	157 348
Bankinnskudd, kontanter og lignende	16	10 626	6 110
Sum omløpsmidler		194 264	164 780
Sum eiendeler		213 067	181 330



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Odfjell Well Services Norway AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2022	2021
Egenkapital			
<i>Innskutt egenkapital</i>			
Aksjekapital	12, 17	828	828
Annen innskutt egenkapital	12	11 852	11 852
Sum innskutt egenkapital		12 680	12 680
<i>Opptjent egenkapital</i>			
Annen egenkapital	12	13 264	12 458
Sum egenkapital		25 944	25 138
Gjeld			
<i>Avsetninger for forpliktelser</i>			
Pensjonsforpliktelser	5	5 861	5 758
<i>Kortsiktig gjeld</i>			
Leverandørgjeld	15, 18	35 172	34 188
Betalbar skatt	11	0	0
Skylldige offentlige avgifter		10 465	10 993
Gjeld konsernkontoordning	14	0	40 886
Annen kortsiktig gjeld	15, 18	135 624	64 367
Sum kortsiktig gjeld		181 261	150 433
Sum gjeld		187 123	156 192
Sum egenkapital og gjeld		213 067	181 330

Simen Lieungh

Bergen, 24. april 2023

Frederik Glenjen

Simen Lieungh
Styreleder
Harald Asle Hereid
Harald Asle Hereid
Styremedlem

Lars Harald Norheim
Daglig leder
Jone Torstensen
Jone Torstensen
Styremedlem

Frederik Glenjen
Styremedlem
Kurt Werner Holsæter
Kurt Werner Holsæter
Styremedlem



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Odfjell Well Services Norway AS

Kontantstrømoppstilling

Beløp vises i tusen kr

	Note	2022	2021
Kontantstrømmer fra operasjonelle aktiviteter			
Resultat før skattekostnad		21 422	16 374
Periodens betalte skatt		0	0
Gevinst ved salg av anleggsmidler		-1 593	-3
Ordinære avskrivninger	6, 7	1 778	3 280
Endring i varelager, kundefordringer og leverandørgjeld		-18 444	24 301
Forskjeller i pensjonsmidler/-forpliktelser		103	164
Endring i andre tidsavgrensningsposter		1 507	1 085
Avsetning tap fordringer		0	-584
Endring i kortsiktig konsernmellomværende ekskl. konsernbidrag		55 973	-31 079
Netto kontantstrøm fra operasjonelle aktiviteter		60 746	13 540
Kontantstrømmer fra investeringsaktiviteter			
Innbetalinger ved salg av varige driftsmidler		1 593	3
Utbetalinger ved kjøp av varige driftsmidler		-4 410	-6 872
Netto kontantstrøm fra investeringsaktiviteter		-2 818	-6 869
Kontantstrømmer fra finansieringsaktiviteter			
Inn-/utbetalinger av konsernbidrag		-3 416	-42 659
Netto endring fordring / gjeld konsernkontoordning	14	-49 995	35 970
Netto kontantstrøm fra finansieringsaktiviteter		-53 412	-6 689
Netto endring i likvider i året		4 517	-19
Kontanter og bankinnskudd per 01.01	15	6 110	6 129
Kontanter og bankinnskudd per. 31.12		10 626	6 110



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Odfjell Well Services Norway AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 1 - Regnskapsprinsipper

Årsregnskapet består av resultatregnskap, balanse, noteopplysninger, kontantstrømoppstilling og er avlagt i samsvar med regnskapslov og god regnskapsskikk i Norge. Norske kroner benyttes som funksjonell og rapporterings valuta i regnskapet.

Selskapet er en del av Odfjell Technology konsernet. Det ultimate morselskap er Odfjell Technology Ltd som har forretningskontor i Aberdeen, Scotland.

Konsernregnskapet er tilgjengelig på selskapets hjemmeside www.odfjelltechnology.com.

Salgsinntekter

Inntekter fra salg av varer resultatføres når levering har funnet sted og det vesentligste av risiko og avkastning er overført.

Inntekter fra salg av tjenester og langsiktige tilvirkingsprosjekter resultatføres i takt med prosjektets fullføringsgrad, når utfallet av transaksjonen kan estimeres på en pålitelig måte. Fremdriften måles som påløpte timer i forhold til totalt estimerte timer. Når transaksjonens utfall ikke kan estimeres pålitelig, vil kun inntekter tilsvarende påløpte prosjektkostnader inntektsføres. I den perioden det blir identifisert at et prosjekt vil gi et negativt resultat, vil det estimerte tapet på kontrakten bli resultatført i sin helhet.

Klassifisering og vurdering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter balansedagen, samt poster som knytter seg til varekretsløpet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Anleggsmidler med begrenset økonomisk levetid avskrives planmessig. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Fordringer

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene. I tillegg gjøres det for øvrige kundefordringer en uspesifisert avsetning for å dekke antatt tap.

Varebeholdninger

Lager av innkjøpte varer er verdsatt til laveste av anskaffelseskost og virkelig verdi. Anskaffelseskost vurderes etter FIFO- prinsippet. Egentilvirkede ferdigvarer og varer under tilvirkning er vurdert til full tilvirkningskost. Det foretas nedskriving for påregnelig ukurans.

Varige driftsmidler

Varige driftsmidler balanseføres og avskrives lineært over driftsmidlets forventede levetid. Vesentlige driftsmidler som består av betydelige komponenter med ulik levetid er dekomponert med ulik avskrivningstid for de ulike komponentene. Direkte vedlikehold av driftsmidler kostnadsføres løpende under driftskostnader, mens påkostninger eller forbedringer tillegges driftsmidlets kostpris og avskrives i takt med driftsmidlet. Dersom gjenvinnbart beløp av driftsmiddelet er lavere enn balanseført verdi foretas nedskriving til gjenvinnbart beløp. Gjenvinnbart beløp er det høyeste av netto salgsverdi og verdi i bruk. Verdi i bruk er nåverdien av de fremtidige kontantstrømmene som eiendelen forventes å generere.



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Odfjell Well Services Norway AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Valuta

Pengeposter i utenlandsk valuta er vurdert til kursen ved regnskapsårets slutt.

Leasing / leieavtaler

Det skilles mellom finansiell og operasjonell leasing. Driftsmidler finansiert ved finansiell leasing er regnskapsmessig klassifisert under varige driftsmidler. Motposten er medtatt som langsiktig gjeld. Leiebeløp fordeles mellom rentekostnad og avdrag på gjelden.

Operasjonell leasing kostnadsføres som driftskostnad basert på fakturert leasingleie.

Immaterielle eiendeler

Immaterielle eiendeler som er kjøpt separat måles ved førstegangs innregning til kost. I senere perioder regnskapsføres immaterielle eiendeler til kost fratrasket akkumulerte av- og nedskrivninger.

Internt genererte immaterielle eiendeler, med unntak av utviklingskostnader som er innregnet i oppstilling av finansiell stilling, kostnadsføres løpende.

Immaterielle eiendeler med bestemt levetid avskrives over utnyttbar levetid. Utnyttbar levetid og avskrivningsmetode for immaterielle eiendeler med bestemt levetid vurderes minst én gang i året. Lineære avskrivninger brukes for de fleste immaterielle eiendeler da dette best reflekterer forbruket av eiendelene. Gevinst eller tap ved avgang av immaterielle eiendeler beregnes som differansen mellom netto salgsinntekt og eiendelens regnskapsførte verdi, og rapporteres som inntekter og kostnader på separate linjer i resultatregnskapet.

Pensjoner

Pensjonskostnader og pensjonsforpliktelser beregnes etter lineær opptjening basert på forventet sluttlønn. Beregningen er basert på en rekke forutsetninger herunder diskonteringsrente, fremtidig regulering av lønn, pensjoner og ytelser fra folketrygden, fremtidig avkastning på pensjonsmidler samt aktuarmessige forutsetninger om dødelighet og frivillig avgang. Pensjonsmidler er vurdert til virkelig verdi og fratrasket i netto pensjonsforpliktelser i balansen. Endringer i forpliktelsen som skyldes endringer i pensjonsplaner fordeles over antatt gjenværende opptjeningstid. Endringer i forpliktelsen og pensjonsmidlene som skyldes endringer i og avvik i beregningsforutsetningene (estimatendringer) fordeles over antatt gjennomsnittlig gjenværende opptjeningstid hvis avvikene ved årets begynnelse overstiger 10 % av det største av brutto pensjonsforpliktelser og pensjonsmidler.

Skatter

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet og nettoført. Netto utsatt skattefordel balanseføres i den grad det er sannsynlig at denne kan bli nyttiggjort.

Bruk av estimater

Ledelsen har brukt estimater og forutsetninger som har påvirket resultatregnskapet og verdsettelsen av eiendeler og gjeld, samt usikre eiendeler og forpliktelser på balansedagen under utarbeidelsen av årsregnskapet i henhold til god regnskapsskikk.

Kontantstrømoppstilling

Kontantstrømoppstillingen er utarbeidet etter den indirekte metode. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige, likvide plasseringer.



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Odfjell Well Services Norway AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 2 - Salgsinntekter

Beløp vises i tusen kr

	2022	2021
<i>Pr. virksomhetsområde</i>		
Utleie av utstyr	564 972	381 692
Utleie av personell	100 884	118 259
Verkstedtjenester	14 565	12 113
Andre driftsinntekter	28 908	41 311
Gevinst ved salg av anleggsmidler	1 593	3
	<u>710 921</u>	<u>553 379</u>

Selskapets driftsinntekter er i hovedsak knyttet til aktivitet utført i Norge.

For nærmere informasjon om salgstransaksjoner med nærstående se note 3.

Note 3 - Nærstående transaksjoner - Inntekt fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser.

Beskrivelse nærstående	Type transaksjon	2022	2021
OT Ltd Group - konsernselskap	Utleie av utstyr	63 625	53 548
OT Ltd Group - konsernselskap	Utleie personell	20 890	20 381
OT Ltd Group - konsernselskap	Andre tjenester*	16 155	6 384
OT Ltd Group - konsernselskap	Salg av utstyr	974	1 154
OD Ltd Group - nærstående part	Utleie av utstyr	240 722	104 163
OD Ltd Group - nærstående part	Utleie personell	31 214	21 012
OD Ltd Group - nærstående part	Andre tjenester*	28 620	18 306
OD Ltd Group - nærstående part	Salg av utstyr	1 477	612
Sum		<u>403 676</u>	<u>225 560</u>

*Består av viderefakturerings, og annet diverse salg.

For kjøp/kostnad fra nærstående parter, se note 9.

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).



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Odfjell Well Services Norway AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 4 - Lønnskostnader, antall ansatte, lån til ansatte og godtgjørelse til revisor

Beløp vises i tusen kr

Lønnskostnader	2022	2021
Lønninger	122 318	127 384
Arbeidsgiveravgift	20 015	20 674
Pensjonskostnader, se note 5	6 854	6 191
Andre ytelser	3 553	4 037
Allokert lønnskostnad fra Odfjell Well Services AS*	23 984	18 555
Innleid personell	49 493	47 968
Sum	226 217	224 809

Selskapet har i regnskapsåret sysselsatt totalt 144 årsverk.

Ytelser til ledende personer

*Daglig leder er innleid som en del av managementtjenestene som leveres fra Odfjell Well Services AS. Kostnaden er inkludert i management fee.

Selskapet er pliktig til å ha tjenstepensjonsordning etter lov om obligatorisk tjenstepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne loven.

Godtgjørelse til revisor er fordelt på følgende:	2022	2021
Lovpålagt revisjon	110	105
Andre attestasjonstjenester	0	60

Merverdiavgift er ikke inkludert i revisjonshonoraret.



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Odfjell Well Services Norway AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 5 - Pensjoner

Beløp vises i tusen kr

Selskapet er pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne lov.

Selskapet har en innskuddspensjonsordning som omfatter 146 personer pr. 31.12.2022 (147 personer pr. 31.12.2021).

Selskapet har en usikret forpliktelse knyttet til gavepensjon på inntil 1G årlig i perioden 62-67 år ved fratreddelse av stilling.

Forpliktelser i (ny) AFP-ordning

Selskapet er medlem av den nye AFP-ordningen. AFP-ordningen er en ordning som gir livslangt tillegg på den ordinære pensjonen. De ansatte kan velge å ta ut den nye AFP-ordningen fra og med fylte 62 år. Den nye AFP-ordningen er en ytelsesbasert flerforetakspensjonsordning og finansieres gjennom premier som fastsettes som en prosent av lønn. Foreløpig foreligger ingen pålitelig måling og allokering av forpliktelse og midler i ordningen. Regnskapsmessig blir ordningen behandlet som en innskuddsbasert pensjonsordning hvor premiebetalingen kostnadsføres løpende, og ingen avsetning foretas i regnskapet.

	2022	2021
Nåverdi av årets pensjonsopptjening	594	542
Rentekostnad av pensjonsforpliktelsen	85	70
Resultatført aktuarielt tap/ (gevinst)	14	0
Arbeidsgiveravgift	96	86
Netto pensjonskostnad ytelsesordninger	789	698
Kostnad innskuddspensjon	3 830	4 038
Kostnad flerforetaksordning bokført som innskuddsbasert (AFP)	2 236	1 455
Netto pensjonskostnad	6 854	6 191

	2022	2021
Påløpte pensjonsforpliktelser pr. 31.12	5 545	5 684
Beregnete pensjonsforpliktelser	5 545	5 684
Ikke resultatført virkning av estimatavvik	-466	-726
Arbeidsgiveravgift	782	801
Netto balanseført pensjonsforpliktelse (+) / -midler (-)	5 861	5 758

Økonomiske forutsetninger:

	2022	2021
Diskonteringsrente	3,20%	1,50%
Forventet lønnsregulering/pensjonsøkning/G-regulering	3,75%	2,50%
Forventet avkastning på fondsmidler	4,90%	2,90%
Pensjonsregulering	3,50%	2,25%
Regulering av folketrygdens grunnbeløp	3,50%	2,25%

De aktuarmessige forutsetningene er basert på vanlige benyttede forutsetninger innen forsikring når det gjelder demografiske faktorer.



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Odfjell Well Services Norway AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 6 - Immaterielle eiendeler

Beløp vises i tusen kr

	Goodwill	Sum
Anskaffelseskost pr 01.01.	22 786	22 786
Anskaffelseskost 31.12.	22 786	22 786
Akk.avskrivninger 31.12.	-22 569	-22 569
Balanseført verdi pr.31.12.	217	217
Årets avskrivninger	507	507
Økonomisk levetid	20 år	
Avskrivningsplan	Lineær	

Balanseført goodwill er fra mars 2002 og kom inn i selskapets balanse i forbindelse med restrukturering av Odfjell Drilling-konsernet i 2007. Goodwill avskrives over 20 år da selskapets industrielle forretningsaktivitet er langsiktig. Siden balansen først kom inn i selskapet i 2007 er det bare 15,25 av årene som avskrives i selskapet.

Selskapet har pr 31.12.2022 vurdert om det foreligger indikatorer på verdifall knyttet til goodwill. Det er ikke avdekket vesentlig endring i markedsrenter eller andre markedsbaserte avkastningskrav. Det er heller ikke avdekket vesentlige negative endringer i teknologiske, markedsmessige, økonomiske eller juridiske rammebetingelser. Estimer knyttet til forventet fremtidig inntjening gir ingen indikatorer på verdifall.

Note 7 - Varige driftsmidler

Beløp vises i tusen kr

	Tomt	Under utførelse*	Leieutstyr*	Andre driftsmidler*	Sum
Anskaffelseskost 01.01.	616	3 549	363 004	63 776	430 945
Tilgang kjøpte driftsmidler	0	3 754	0	656	4 410
Anskaffelseskost 31.12.	616	7 303	363 004	64 432	435 355
Akk.avskrivning 31.12.	0	0	-330 166	-61 114	-391 280
Akk.nedskr. 31.12.	0	0	-27 785	0	-27 785
Balanseført pr. 31.12.	616	7 303	5 053	3 318	16 290
Årets avskrivninger	0	0	810	461	1 271
Årets nedskrivninger	0	0	27 785	0	27 785
Økonomisk levetid	Under utførelse	Uendelig	3 - 10 år	3 - 10 år	
Avskrivningsplan	Saldo	Saldo	Saldo	Saldo	

*Sum bokført verdi: Under utførelse + Leieutstyr + Andre driftsmidler = NOK 15 675 tusen.

*Under utførelse: starter avskrivning fra 2023.



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Odfjell Well Services Norway AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 8 - Driftskostnader

Beløp vises i tusen kr

	2022	2021
Innleie av utstyr	264 339	167 989
Reperasjon og vedlikehold	24 656	24 668
Transport og frakt	10 742	12 887
Kjøp av managementtjenester (konsern)	30 671	31 483
Andre drifts- og administrasjonskostnader	129 076	70 878
Sum	459 483	307 906

For nærmere informasjon om kostnadstransaksjoner med nærstående se note 9.

Note 9 - Nærstående transaksjoner - kjøp/kostnad fra nærstående parter

Beløp vises i tusen kr

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).

Beskrivelse nærstående part	Type transaksjon	2022	2021
OT Ltd Group - konsernselskap	Innleid utstyr	219 944	126 408
OT Ltd Group - konsernselskap	Management tjenester	27 999	80 197
OT Ltd Group - konsernselskap	Kjøp av utstyr	6 995	5 029
OT Ltd Group - konsernselskap	Kostnader knyttet til lokaler	9 413	4 694
OD Ltd Group - nærstående part	Management tjenester	2 672	10 712
OD Ltd Group - nærstående part	Kostnader knyttet til lokaler	491	1 010
OD Ltd Group - nærstående part	Under MNOK 5	0	3 457
Sum		267 513	231 507



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Odfjell Well Services Norway AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 10 - Finansinntekter og kostnader

Beløp vises i tusen kr

Finansinntekter

	2022	2021
Renteinntekter	356	6
Andre finansinntekter	2	438
Sum finansinntekter	<u>358</u>	<u>445</u>

Finanskostnader

	2022	2021
Rentekostnader	-730	-62
Netto valutatap	-1 595	-1 339
Andre finanskostnader	-54	-54
Sum finanskostnader	<u>-2 380</u>	<u>-1 456</u>



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Odfjell Well Services Norway AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 11 - Skatt

Beløp vises i tusen kr

Årets skattekostnad fordeler seg på:	2022	2021
Betalbar skatt	4 452	3 417
Endring utsatt skatt	379	500
Årets totale skattekostnad	4 831	3 916

Beregning av årets skattegrunnlag:	2022	2021
Ordinært resultat før skattekostnad	21 422	16 374
Permanente forskjeller	539	1 427
Endring i midlertidige forskjeller	-1 724	-2 271
Alminnelig inntekt	20 237	15 530
Ytet konsernbidrag	-20 237	-15 530
Årets skattegrunnlag	0	0
Betalbar skatt (22%) av årets skattegrunnlag	0	0

Oversikt over midlertidige forskjeller	2022	2021
Driftsmidler inkl goodwill	-540	-2 366
Varebeholdning	-2 261	-2 261
Utestående fordringer	-1 769	-1 769
Netto pensjonsforpliktelse som er ført i balansen	-5 861	-5 758
Netto midlertidige forskjeller pr 31.12	-10 431	-12 154

Utsatt skattefordel/Utsatt skatt (22%)	-2 295	-2 674
--	--------	--------

Forklaring til hvorfor årets skattekostnad ikke utgjør 22% av resultat før skatt

	2022
22% skatt av resultat før skatt	4 713
Permanente forskjeller (22%)	118
Beregnet skattekostnad	4 831

Effektiv skattesats *) 22,6 %

*) Skattekostnad i forhold til resultat før skatt

Note 12 - Egenkapital

Beløp vises i tusen kr

	Aksjekapital	Annen innskutt egenkapital	Annen egenkapital	Sum
Egenkapital 01.01.2022	828	11 852	12 458	25 138
Årsresultat	0	0	16 591	16 591
Avgitt konsernbidrag	0	0	-15 785	-15 785
Egenkapital 31.12.2022	828	11 852	13 264	25 944



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Odfjell Well Services Norway AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 13 - Varer

Beløp vises i tusen kr

	2022	2021
Varer i arbeid	0	1 323

Herav akkumulerte nedskrivninger reservedeler: TNOK -2 261.

Varer i arbeid består av timer medgått til produksjon av utstyr som er bestilt av utstyrseier i OWS divisjonen av Odfjell Technology konsernet. Reservedelene til varer har unike serienummer og virkelig anskaffelseskost er derfor brukt ved vurdering av laveste verdi av anskaffelseskost og virkelig verdi. For cuttere er ikke virkelig anskaffelseskost mulig å tilordne og gjennomsnittlig anskaffelseskost er derfor brukt.

Reservedelslageret er nedskrevet til laveste verdi av anskaffelse og antatt salgsverdi.

Note 14 - Kundefordringer og andre kortsiktige fordringer

Beløp vises i tusen kr

<i>Kundefordringer</i>	2022	2021
Kundefordringer - ekstern, brutto beløp	83 264	93 570
Avsetning tap på fordringer	-1 769	-1 769
Kundefordringer - konsern, se note 14	86 192	55 135
Netto bokført verdi kundefordringer	<u>167 687</u>	<u>146 936</u>
<i>Andre kortsiktige fordringer</i>	2022	2021
Til gode MVA	4 282	3 771
Forskuddsbetalte kostnader	2 140	2 644
Andre fordringer	419	3 998
Sum andre kortsiktige fordringer	<u>6 841</u>	<u>10 412</u>
<i>Konsernkontoordning</i>	2022	2021
Konsernkontoordning	9 110	-40 886
Netto fordring + / gjeld - konsernkontoordning per 31.12	<u>9 110</u>	<u>-40 886</u>

Selskapets driftskontoer inngår i konsernkontoordning hvor Odfjell Technology Ltd per 31.12.2022 er konsernkontoeier og således eier av bankmidlene. Konsernkontosystemet er opprettet for å bidra til en optimal likviditetsstyring i Odfjell Technology Ltd. konsernet. Selskapet har solidaransvar for innskudd i konsernkontoordning, og har ikke separatistrettighet for midler som inngår i konsernkontoordningen. Netto innestående på konsernkontoordningen klassifiseres som annen kortsiktig fordring i balansen, mens netto trekk er klassifisert som annen kortsiktig gjeld og er vist på egen linje i balansen.



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Odfjell Well Services Norway AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 15 - Mellomværende med selskap i samme konsern m.v

Beløp vises i tusen kr

Fordringer og gjeld mellom konsernselskaper (samme konsern) og konsernselskaper (nærstående konsern) knytter seg til den løpende drift og konsernbidrag.

<i>Kortsiktige driftsrelaterte fordringer</i>	2022	2021
OT Ltd Group - konsernselskap	24 762	21 658
OD Ltd Group - nærstående part	61 430	33 477
Sum driftsrelaterte fordringer	86 192	55 135
<i>Kortiktig driftsrelatert gjeld</i>	2022	2021
OT Ltd Group - konsernselskap	-100 498	-43 028
OD Ltd Group - nærstående part	-245	-2 008
Sum driftsrelatert gjeld	-100 744	-45 036
<i>Konsernbidrag</i>	2022	2021
OT Ltd Group - konsernselskap - avgitt konsernbidrag	-20 237	-4 268
Sum konsernbidrag	-20 237	-4 268

Konsernets kortsiktige mellomværende forfaller til betaling innen ett år etter regnskapsårets utgang.

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).

Note 16 - Bankinnskudd

Beløp vises i tusen kr

	2022
Bundne skattetrekksmidler utgjør	5 421

Note 17 - Aksjekapital og aksjonærinformasjon

Beløp vises i tusen kr

Aksjekapitalen består av:

	Antall	Pålydende	Balanseført
Ordinære aksjer	1 780	465,28427	828

Alle aksjer i selskapet tilhører samme aksjeklasse, og har like stemmerettigheter.

Oversikt over aksjonærene i selskapet pr. 31.12:

	Ordinære aksjer	Eierandel	Stemmeandel
Odfjell Technology Invest Ltd	1 780	100 %	100 %

Det ultimate morselskap er Odfjell Technology Ltd hvor Odfjell Well Services Norway AS inngår i konsolideringen. Konsernregnskap blir offentliggjort på www.odfjelltechnology.com.



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Odfjell Well Services Norway AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 18 - Annen kortsiktig gjeld

Beløp vises i tusen kr

<i>Annen kortsiktig gjeld</i>	2022	2021
Skyldig lønnsgodtgjørelse og feriepenger	-13 247	-13 975
Andre påløpte kostnader	-6 001	-4 540
Annen kortsiktig gjeld konsernselskap, se note 15	-116 376	-45 851
Sum annen kortsiktig gjeld	<u>-135 624</u>	<u>-64 367</u>
 <i>Leverandørgjeld</i>		
Leverandørgjeld - ekstern	-30 567	-30 734
Leverandørgjeld - konsern, se note 15	-4 604	-3 453
Sum leverandørgjeld	<u>-35 172</u>	<u>-34 188</u>

Note 19 - Garantistillelse

Konsernet Odfjell Technology har fellesregistrering knyttet til merverdiavgift for konsernets avgiftsregistrerte foretak. Selskapet inngår i denne fellesregistreringen og er således solidarisk ansvarlig for skyldig merverdiavgift i Norge.



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Til generalforsamlingen i Odfjell Well Services Norway AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert årsregnskapet for Odfjell Well Services Norway AS som består av balanse per 31. desember 2022, resultatregnskap og kontantstrømpstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2022, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarter) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen og annen øvrig informasjon som er publisert sammen med årsregnskapet. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker verken informasjonen i årsberetningen eller annen øvrig informasjon.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen og annen øvrig informasjon. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen, annen øvrig informasjon og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen og annen øvrig informasjon ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen eller annen øvrig informasjon fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Offices in:

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodø	Knaresund	Stord	Ålesund
Drammen	Kristiansund	Straume	

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Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av intern kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimaterne og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.

Penneo document key: 60Q4H-8H4DH-30LKN-CPYHX-NFANP-2GE11



Bergen, 28. april 2023
KPMG AS

Ståle Christensen
Statsautorisert revisor
(elektronisk signert)

Penneo document key: 60Q4H-8H4DH-30LKN-CPYHX-NFANP-2GE11



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De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Ståle Christensen

Partner

På vegne av: KPMG AS

Serienummer: 9578-5999-4-1660746

IP: 80.232.xxx.xxx

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Appendix 13 – Financial statements for Odfjell Operations AS as of and for the financial years ended 31 December 2023 and 31 December 2022



Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	963 228 252
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ODFJELL OPERATIONS AS
Forretningsadresse:	Kokstadflaten 35 5257 KOKSTAD

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
-------------------------	-------------------------

Konsern

Morselskap i konsern:	Nei
-----------------------	-----

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Joachim S.Lie
Dato for fastsettelse av årsregnskapet:	14.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 18.02.2025

Brønnøysundregistrene

Postadresse: 8910 Brønnøysund
Telefoner: Opplysningstelefonen 75 00 75 00 Telefaks 75 00 75 05
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	963 228 252
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ODFJELL OPERATIONS AS
Forretningsadresse:	Kokstadflaten 35 5257 KOKSTAD

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
-------------------------	-------------------------

Konsern

Morselskap i konsern:	Nei
-----------------------	-----

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Joachim S.Lie
Dato for fastsettelse av årsregnskapet:	14.05.2024

Grunnlag for avgivelse

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År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 18.02.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Sum inntekter	2, 2, 3	1 089 905 000	1 031 519 000
Kostnader			
Lønnskostnad	4, 5, 7	830 794 000	791 117 000
Annen driftskostnad	6, 7	280 699 000	182 619 000
Sum kostnader		1 111 493 000	973 736 000
Driftsresultat		-21 588 000	57 783 000
Finansinntekter og finanskostnader			
Finansinntekt	8	6 658 000	2 956 000
Sum finansinntekter		6 658 000	2 956 000
Finanskostnad	8	2 758 000	1 284 000
Sum finanskostnader		2 758 000	1 284 000
Netto finans		3 900 000	1 672 000
Ordinært resultat før skattekostnad		-17 688 000	59 455 000
Skattekostnad på ordinært resultat	9	-3 891 000	13 080 000
Ordinært resultat etter skattekostnad		-13 797 000	46 375 000
Årsresultat	17	-13 797 000	46 375 000
Overføringer og disponeringer			
Ordinært utbytte	10		50 000 000
Avgitt konsernbidrag	10		47 098 000
Udekket tap	10	-13 797 000	
Overføringer annen egenkapital	10	0	-50 723 000
Sum overføringer og disponeringer		-13 797 000	46 375 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	9	3 190 000	3 833 000
Sum immaterielle eiendeler		3 190 000	3 833 000
Sum anleggsmidler		3 190 000	3 833 000
Omløpsmidler			
Varer			
Sum varer		8 000	
Fordringer			
Kundefordringer	11, 13	180 701 000	169 112 000
Andre kortsiktige fordringer	11, 13	44 640 000	17 827 000
Sum fordringer	12	334 437 000	335 504 000
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	14	28 477 000	105 724 000
Sum omløpsmidler		362 922 000	441 228 000
SUM EIENDELER		366 112 000	445 061 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	10, 15	21 402 000	21 402 000
Annen innskutt egenkapital	10	56 178 000	40 101 000
Sum innskutt egenkapital		77 580 000	61 503 000
Opptjent egenkapital			
Annen egenkapital	10	-13 797 000	
Sum opptjent egenkapital		-13 797 000	



Balanse

Beløp i: NOK	Note	2023	2022
Sum egenkapital		63 784 000	61 503 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	5	10 529 000	12 460 000
Andre avsetninger for forpliktelser	16		4 723 000
Sum avsetninger for forpliktelser		10 529 000	17 183 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		10 529 000	17 183 000
Kortsiktig gjeld			
Leverandørgjeld	11, 13	96 343 000	63 591 000
Betalbar skatt	9	0	0
Skyldige offentlige avgifter	17	53 176 000	45 328 000
Annen kortsiktig gjeld	11, 13	142 280 000	257 455 000
Sum kortsiktig gjeld		291 799 000	366 375 000
Sum gjeld		302 328 000	383 558 000
SUM EGENKAPITAL OG GJELD		366 112 000	445 061 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 420208

Enheten

Organisasjonsnummer: 963 228 252
Organisasjonsform: Aksjeselskap
Foretaksnavn: ODFJELL OPERATIONS AS
Forretningsadresse: Kokstadflaten 35
5257 KOKSTAD

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Joachim S.Lie
Dato for fastsettelse av årsregnskapet: 14.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 05.06.2024



Organisasjonsnr: 963 228 252
ODFJELL OPERATIONS AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Sum inntekter	2, 2, 3	1 089 905 000	1 031 519 000
Kostnader			
Lønnskostnad	4, 5, 7	830 794 000	791 117 000
Annen driftskostnad	6, 7	280 699 000	182 619 000
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Finansinntekt	8	6 658 000	2 956 000
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Skattekostnad på ordinært resultat	9	-3 891 000	13 080 000
Ordinært resultat etter skattekostnad		-13 797 000	46 375 000
Årsresultat	17	-13 797 000	46 375 000
Overføringer og disponeringer			
Ordinært utbytte	10		50 000 000
Avgitt konsernbidrag	10		47 098 000
Udekket tap	10	-13 797 000	
Overføringer annen egenkapital	10	0	-50 723 000
Sum overføringer og disponeringer		-13 797 000	46 375 000



Organisasjonsnr: 963 228 252
ODFJELL OPERATIONS AS

BALANSE

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	9	3 190 000	3 833 000
Sum immaterielle eiendeler		3 190 000	3 833 000
Sum anleggsmidler		3 190 000	3 833 000
Omløpsmidler			
Varer			
Sum varer		8 000	
Fordringer			
Kundefordringer	11, 13	180 701 000	169 112 000
Andre kortsiktige fordringer	11, 13	44 640 000	17 827 000
Sum fordringer	12	334 437 000	335 504 000
Bankinnskudd, kontanter og lignende			
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Sum omløpsmidler		362 922 000	441 228 000
SUM EIENDELER		366 112 000	445 061 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	10, 15	21 402 000	21 402 000
Annen innskutt egenkapital	10	56 178 000	40 101 000
Sum innskutt egenkapital		77 580 000	61 503 000
Opptjent egenkapital			
Annen egenkapital	10	-13 797 000	
Sum opptjent egenkapital		-13 797 000	
Sum egenkapital		63 784 000	61 503 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	5	10 529 000	12 460 000
Andre avsetninger for forpliktelser	16		4 723 000
Sum avsetninger for forpliktelser		10 529 000	17 183 000



Annen langsiktig gjeld			
Sum langsiktig gjeld		10 529 000	17 183 000
Kortsiktig gjeld			
Leverandørgjeld	11, 13	96 343 000	63 591 000
Betalbar skatt	9	0	0
Skyldige offentlige avgifter	17	53 176 000	45 328 000
Annen kortsiktig gjeld	11, 13	142 280 000	257 455 000
Sum kortsiktig gjeld		291 799 000	366 375 000
Sum gjeld		302 328 000	383 558 000
SUM EGENKAPITAL OG GJELD		366 112 000	445 061 000



Organisasjonsnr: 963 228 252
ODFJELL OPERATIONS AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
15

Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Ordinære aksjer	21402.00	1000.00	21402000.00
<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
Odfjell Platform Drilling AS	21402.00	100.00%	Ordinære aksjer
<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	21402.00	100.00%	

Note
4

Lønn og ytelser

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	531500376000.00	507957933000.00
<u>Arbeidsgiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	90646419000.00	77876697000.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	35681270000.00	34526411000.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	172965836000.00	170756163000.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	830793901000.00	791117204000.00

Daglig leder er innleid som en del av managementtjenester fra Odfjell Platform Drilling AS. Kostnaden er inkludert i management fee. For spesifikasjon av ytelser til daglig leder, se note 4 i årsregnskapet til morselskap, Odfjell Platform Drilling AS. Det er ikke gitt ytelser til styret for inneværende år. Det er ikke ytet lån eller stilt garantier til daglig leder, styreleder eller andre personlige nærstående parter.



Note

Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	146250000.00	130000000.00
<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	146250000.00	130000000.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
0.00

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
<u>Skattemessig fremf.undersk.</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
<u>Kortsiktig gjeld</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>



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Odfjell Operations AS

Årsrapport for 2023

Årsberetning

Årsregnskap

- Resultatregnskap
- Balanse
- Kontantstrømoppstilling
- Noter

Revisjonsberetning



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Odfjell Operations AS

Årsberetning 2023

Odfjell Operations AS

Adresse: Kokstadflaten 35, 5257 Kokstad

Org.nr: 963 228 252 MVA

Virksomhetens art

Odfjell Operations AS driver med plattformboring for kunder i Nordsjøen. Dette omfatter operasjon og vedlikehold av boreanlegg. Selskapet har hovedkontor i Bergen og driftsavdelinger i Stavanger og Stjørdal.

Utvikling i resultat og stilling

Selskapet opererer to plattforminstallasjoner for Equinor, henholdsvis Heidrun og Johan Sverdrup. Heidrun påbegynte sin faste 4 års periode 1. oktober 2018 og har i tillegg 3x2 års opsjoner. Johan Sverdrup har 4 års fast periode, med 6x1 års opsjoner. Kontrakten startet i november 2018. Equinor utøvde 2 års opsjon på begge kontraktene i februar 2022.

Selskapet opererer også Brage plattformen for Wintershall DEA, som ble startet opp i første halvår 2017. I midten av desember 2020 utøvde Wintershall DEA to opsjoner, noe som førte til at kontrakten ble forlenget med 4 år. Etter et år i stans fra april 2020 grunnet usikkerhet knyttet til Covid, startet Wintershall operasjonen på Brage på nytt fra april 2021. Odfjell Operations AS startet juli 2020 operasjoner på 3 plattformer på Ekofisk feltet for ConocoPhillips. Kontrakten har en varighet på 5 år med opptil 2x3 års opsjoner. OKEA ASA overtok operatøransvaret på Brage fra Wintershall Dea 1 november 2022. Borekontrakten, som har de samme kontraktuelle betingelsene som Odfjell Technology hadde med Wintershall Dea, har en varighet til desember 2024.

Selskapet har et negativt driftsresultat i 2023, men som ventes å forbedres i 2024.

Aktuell ordresreserve og ingen signaler fra kunde om bruk av force majeure klausuler, gjør sitt til at selskapet i begrenset grad vurderes eksponert for bortfall av inntekter. Selskapet vil jobbe aktivt for å opprettholde omsetning i årene fremover. Det presiseres at det alltid vil være knyttet usikkerhet til fremtidig utvikling.

Omsetningen er i 2023 1 089 905 tusen kroner som er en oppgang på 5.66 % fra i fjor. Årsresultatet ble redusert med 129.75 % til -13 797 tusen kroner. Det har vært flere endringer i operasjoner gjennom året, herunder start på Brage plattformen fra april 2021 og faseendringer knyttet til enheter under ConocoPhillips kontrakten.

Pr. 31.12.2023 hadde selskapet en likviditetsbeholdning på MNOK 137,6 inklusive fordringer på konsernkontoordning. Foretakets kortsiktige likviditet blir styrt via deltakelse i konsernkontosystem. Selskapet hadde i 2023 en negativ kontantstrøm fra operasjonen på MNOK -6,3. Den negative kontantstrømmen er i hovedsak knyttet til årets resultat, som viser et underskudd på MNOK -17,7 og endring arbeidskapital. Kontantstrøm fra finansieringsaktiviteter var også negativ med MNOK -70,9 knyttet til utbetaling av utbytte og konsernbidrag samt netto endring i fordring konsernkontoordning.

Selskapets finansielle stilling pr. 31.12.2023 anses som tilfredsstillende. Foretaket har oppnådd bedret lønnsomhet på eksisterende kontrakter, noe som bidrar til økt inntjening og likviditet.

Totalkapitalen var ved utgangen av året 366 112 tusen kroner, sammenlignet med 445 061 tusen kroner året før. Egenkapitalandelen pr. 31.12.2023 var 17.4 % sammenlignet med 13.8 % i fjor.

Side 2



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Odfjell Operations AS

Styret mener at det fremlagte årsregnskapet gir et rettviseende bilde over utviklingen og resultatet av foretakets virksomhet og stilling. Det er ikke inntrådt forhold etter regnskapsårets utgang som er av vesentlig betydning ved bedømmelse av selskapets resultat og stilling, annet enn omtalt over.

Fortsatt drift

Årsregnskapet er satt opp under forutsetning om fortsatt drift og vi bekrefter at denne forutsetning er til stede.

Til grunn for antagelsen ligger at selskapet vurderes å ha tilstrekkelig likviditet og egenkapital ved årsslutt 2023 som sikrer fortsatt drift.

Arbeidsmiljø

Selskapets HSE policy er å opprettholde den høyeste sikkerhetsstandard og beskytte helsen til våre arbeidstakere. Totalt sett hadde selskapet fire rapporteringspliktige arbeidsrelaterte personskader i 2023, hvorav en med fravær, men ingen klassifisert som alvorlige. Det var fire fallende gjenstander over 40 joule i våre operasjoner. Arbeidsmiljø - og organisasjonsundersøkelser blir avholdt hvert andre år pr. plattform offshore. Siste undersøkelse i 2023 viste gode resultater og ny undersøkelse planlegges i 2024.

Totalt sykefravær for selskapet i 2023 var på 7,6 %. Oppfølging og forebygging av sykefraværet har hatt høy fokus i 2023. Konsernet har etablert bedriftshelsetjeneste og selskapet følger opp sykemeldt personell etter de prinsipper som ligger til grunn for et inkluderende arbeidsliv. I tillegg har alle våre ansatte helseforsikring som tilbyr både forebyggende og konsekvensreducerende helsetiltak.

Virksomheten er sertifisert i henhold til ISO 9001: Ledelsessystemer for kvalitet og ISO 14001: Ledelsessystemer for miljø, og arbeider i henhold til gjeldene regelverk.

Det arbeides kontinuerlig med forbedringstiltak for å unngå skade på personell, fallende gjenstander og forebygge utilsiktede utslipp. Hovedpunkter i KHMS program for 2023 bygger på allerede startet forbedringsprosesser, og kan kort oppsummeres til å omfatte følgende områder:

- Forenkling og standardisering av prosesser og prosedyrer
- Fortsette digitalisering av systemer
- Styrking av risikostyringsprosesser og Cyber security
- Sikring av kompetanse og kapasitet
- Forebygge brønnskrollhendelser og fallende gjenstander
- Styrking av KHMS-kultur, inklusiv Human Factor forståelse
- Minimere ytre miljø påvirkning

For ytterligere detaljer om HMS og bærekraft vises det til Odfjell Technologys årsrapport og ESG årsrapport.

Diskriminering

Selskapet arbeider aktivt for å forhindre diskriminering som følge av nedsatt funksjonsevne, etnisitet, nasjonal opprinnelse, hudfarge, religion eller livssyn.

Som et ledd i selskapets "Human Right Policy" er det også vedtatt forbud mot alle former for tvangsarbeid eller barnarbeid. All Odfjell Technology's aktivitet skal være i samsvar med internasjonalt anerkjente arbeidsstandarder innenfor områder som lønn, arbeidstid, disiplinære metoder, arbeidsavtaler og arbeidsforhold. Tilsvarende krav skal også håndheves gjennom kontrakter med leverandører, samarbeidspartnere, agenter etc. Konsernets «Human rights policy» i henhold til ikrafttredelse av den nye Åpenhetsloven av 1. juli 2022, samt selskapets Likestillingsredegjørelse er tilgjengelig på Odfjell Technology's offentlige webside; www.odfjelltechnology.com.



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Odfjell Operations AS

Ytre miljø

Selskapet skal arbeide for å redusere negative effekter for ytre miljø og fremme energi sparing.
Selskapet hadde ingen utilsiktede utslipp til sjø i 2023.

Likestilling og diskriminering

Selskapet er omfattet av sentrale protokoller inngått med partene i arbeidslivet om likestilling mellom kvinner og menn. De sentrale foreningene er alle representert i bedriften med egne lokale klubber der partene lokalt er enige om å fortsette arbeidet med å tilrettelegge forholdene slik at kvinner og menn gis like muligheter. Selskapet skal i sin personalpolitikk ivareta likestillingsperspektivet ved ansettelse, lønn, forfremmelser og kompetansegivende etter- og videreutdanning.

Partene har pekt på at;

Likestilling er et lederansvar

Likestilling gjelder også holdninger og normer, og krever sterk medvirkning fra de tillitsvalgte.

Likestillingsarbeidet bør drøftes og følges opp i etablert samarbeidsfora i bedriften.

Selskapet har tradisjonelt rekruttert hovedtyngden av sitt personell fra fagmiljøer hvor kvinner i liten grad er representert. I offshoreorganisasjoner er det fremdeles kun et fåtall kvinner ansatt. Alle ansatte, kvinner og menn, er omfattet av de samme tariffavtaler, arbeidstidsordninger og lønnsavtaler og har identiske vilkår i alle stillinger hvor det er ansatt både kvinner og menn.

Andelen kvinner i selskapet er 2,7 % ned fra 2,9 % i 2022. Kvinner er dessuten representert i selskapets og konsernets toppledelse.

Redegjørelse i henhold til Likestillings- og diskrimineringsloven §26 er tilgjengelig på Odfjell Technology's offentlige webside; www.odfjelltechnology.com

Forsikring for styrets medlemmer og daglig leder

Det er tegnet forsikring på konsernnivå for styrets medlemmer og daglig leder for deres mulige ansvar overfor selskapet og tredjepersoner. Forsikringen er begrenset til MNOK 75 per år og per hendelse.

Bergen, 29. april 2024

Styret for Odfjell Operations AS



Simen Lieungh
Styreleder



Harald Asle Hereid
Styremedlem



Fredrik Glenjen
Styremedlem



Kurt Werner Holsæter
Styremedlem



Jone Torstensen
Styremedlem



Kurt Meinert Fjell
Daglig leder



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Odfjell Operations AS

Resultatregnskap

Beløp vises i tusen kr

	Note	2023	2022
Driftsinntekter			
Driftsinntekter	2, 3	1 089 905	1 031 519
Driftskostnader			
Lønnskostnad	4, 5, 7	830 794	791 117
Annen driftskostnad	6, 7	280 699	182 619
Sum driftskostnader		<u>1 111 493</u>	<u>973 736</u>
Driftsresultat		<u>-21 588</u>	<u>57 783</u>
Finansinntekter og finanskostnader			
Finansinntekt	8	6 658	2 956
Finanskostnad	8	2 758	1 284
Netto finansposter		<u>3 900</u>	<u>1 672</u>
Ordinært resultat før skattekostnad		<u>-17 688</u>	<u>59 455</u>
Skattekostnad på ordinært resultat	9	<u>-3 891</u>	<u>13 080</u>
Årsresultat		<u>-13 797</u>	<u>46 375</u>
Overføringer og disponeringer			
Ordinært utbytte	10	0	50 000
Avgitt konsernbidrag	10	0	47 098
Overføringer annen egenkapital	10	0	-50 723
Udekket tap	10	-13 797	0
Sum disponert		<u>-13 797</u>	<u>46 375</u>



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Odfjell Operations AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2023	2022
Anleggsmidler			
<i>Immaterielle eiendeler</i>			
Utsatt skattefordel	9	3 190	3 833
Omløpsmidler			
Varer		8	0
<i>Fordringer</i>			
Kundefordringer	11, 13	180 701	169 112
Fordring konsernkontoordning	12	109 096	148 564
Andre kortsiktige fordringer	11, 13	44 640	17 827
Sum fordringer		334 437	335 504
Bankinnskudd, kontanter og lignende	14	28 477	105 724
Sum omløpsmidler		362 922	441 228
Sum eiendeler		366 112	445 061



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Odfjell Operations AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2023	2022
Egenkapital			
<i>Innskutt egenkapital</i>			
Aksjekapital	10, 15	21 402	21 402
Annen innskutt egenkapital	10	56 178	40 101
Sum innskutt egenkapital		77 580	61 503
<i>Opptjent egenkapital</i>			
Udekket tap		-13 797	0
Sum egenkapital		63 784	61 503
Gjeld			
<i>Avsetninger for forpliktelser</i>			
Pensjonsforpliktelser	5	10 529	12 460
Andre avsetninger for forpliktelser	16	0	4 723
Sum avsetning for forpliktelser		10 529	17 183
<i>Kortsiktig gjeld</i>			
Leverandørgjeld	11, 13	96 343	63 591
Betalbar skatt	9	0	0
Skyldige offentlige avgifter	17	53 176	45 328
Annen kortsiktig gjeld	11, 13	142 280	257 455
Sum kortsiktig gjeld		291 799	366 375
Sum gjeld		302 328	383 558
Sum egenkapital og gjeld		366 112	445 061

Bergen, 29. april 2024

Simen Lieungh

Simen Lieungh
Styreleder

Harald Hereid

Harald Asle Hereid
Styremedlem

Fredrik Glenjen

Fredrik Glenjen
Styremedlem

Kurt Werner Holsæter

Kurt Werner Holsæter
Styremedlem

Jone Tørstensen

Jone Tørstensen
Styremedlem

Kurt Meinert Fjell

Kurt Meinert Fjell
Daglig leder

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Odfjell Operations AS

Kontantstrømoppstilling

Beløp vises i tusen kr

	Note	2023	2022
Kontantstrømmer fra operasjonelle aktiviteter			
Resultat før skattekostnad		-17 688	59 455
Endring i varelager, kundefordringer og leverandørgjeld		23 504	95
Forskjeller i pensjonsmidler/-forpliktelser		-1 930	2 168
Endring i andre tidsavgrensningsposter		-5 722	7 351
Endring i kortsiktig mellomværende ekskl. konsernbidrag		-4 497	-2 432
Netto kontantstrøm fra operasjonelle aktiviteter		<u>-6 334</u>	<u>66 636</u>
Kontantstrømmer fra investeringsaktiviteter			
Netto kontantstrøm fra investeringsaktiviteter		<u>0</u>	<u>0</u>
Kontantstrømmer fra finansieringsaktiviteter			
Utbetalinger av utbytte		-50 000	0
Inn-/utbetalinger av konsernbidrag		-60 382	-8 597
Netto endring fordring / gjeld konsernkontoordning		<u>39 469</u>	<u>23 143</u>
Netto kontantstrøm fra finansieringsaktiviteter		<u>-70 913</u>	<u>14 546</u>
Netto endring i likvider i året		-77 247	81 183
Kontanter og bankinnskudd per 01.01		<u>105 724</u>	<u>24 542</u>
Kontanter og bankinnskudd per. 31.12		<u>28 477</u>	<u>105 724</u>



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Odfjell Operations AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 1 - Regnskapsprinsipper

Årsregnskapet består av resultatregnskap, balanse, noteopplysninger, kontantstrømoppstilling og er avlagt i samsvar med regnskapslov og god regnskapsskikk i Norge. Norske kroner benyttes som funksjonell og rapporterings valuta i regnskapet.

Selskapet er en del av Odfjell Technology konsernet. Det ultimate morselskap er Odfjell Technology Ltd som har forretningskontor i Aberdeen, Skottland.

Konsernregnskapet er tilgjengelig på selskapets hjemmeside www.odfjelltechnology.com.

Inntektsføring

Selskapets inntekter er basert på utleie av personell. Inntektsføringen skjer i den perioden tjenesten er utført.

Periodisk vedlikeholdsansvar på leiet utstyr / Utsatt inntekt

Under enkelte kontraktene har selskapet klassifikasjons- og vedlikeholdsansvar for boreutstyr og brønnsikringsutstyr på kundenes faste installasjoner. Inntekt knyttet til periodisk vedlikehold og klassing av utstyr faktureres som del av dagraten. Inntekten tas når vedlikeholdet og klassingen utføres. Ved utløpet av hver regnskapsperiode oppdateres estimat for utsatt inntekt. Utsatt inntekt knyttet til periodisk vedlikeholdskontrakter klassifiseres i balansen som *annen kortsiktig gjeld*.

Klassifisering og vurdering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter balansedagen, samt poster som knytter seg til varekretsløpet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Anleggsmidler med begrenset økonomisk levetid avskrives planmessig. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Fordringer

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene. I tillegg gjøres det for øvrige kundefordringer en uspesifisert avsetning for å dekke antatt tap.

Skatter

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet og nettoført. Netto utsatt skattefordel balanseføres i den grad det er sannsynlig at denne kan bli nyttiggjort.

Betalbar skatt og utsatt skatt er regnskapsført direkte mot egenkapitalen i den grad skattepostene relaterer seg til egenkapitaltransaksjoner.



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Odfjell Operations AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Valuta

Transaksjoner i annen valuta som er med i resultatregnskapet er omregnet til norske kroner etter gjeldende kurs på transaksjonstidspunktet. Pengeposter i utenlandsk valuta er omregnet til norske kroner ved å benytte balansedagens kurs. Ikke-pengeposter som måles til historisk kurs uttrykt i utenlandsk valuta, omregnes til norske kroner ved å benytte valutakursen på transaksjonstidspunktet. Ikke-pengeposter som måles til virkelig verdi uttrykt i utenlandsk valuta, omregnes til valutakursen fastsatt på balansetidspunktet. Valutakursendringer resultatføres løpende i regnskapsperioden.

Pensjoner

Pensjonskostnader og pensjonsforpliktelser knyttet til ytelsesbaserte pensjonsordninger beregnes etter lineær opptjening basert på forventet sluttlønn. Beregningen er basert på en rekke forutsetninger herunder diskonteringsrente, fremtidig regulering av lønn, pensjoner og ytelser fra folketrygden, fremtidig avkastning på pensjonsmidler samt aktuariemessige forutsetninger om dødelighet og frivillig avgang. Pensjonsmidler er vurdert til virkelig verdi og fratrukket i netto pensjonsforpliktelser i balansen. Endringer i forpliktelsen som skyldes endringer i pensjonsplaner fordeles over antatt gjenværende opptjeningstid. Endringer i forpliktelsen og pensjonsmidlene som skyldes endringer i og avvik i beregningsforutsetningene (estimatendringer) fordeles over antatt gjennomsnittlig gjenværende opptjeningstid hvis avvikene ved årets begynnelse overstiger 10 % av det største av brutto pensjonsforpliktelser og pensjonsmidler. Periodens netto pensjonskostnad klassifiseres som lønns- og personalkostnader.

Pensjonspremie i innskuddsbasert pensjonsordninger kostnadsføres fortløpende.

Bruk av estimater

Ledelsen har brukt estimater og forutsetninger som har påvirket resultatregnskapet og verdsettelsen av eiendeler og gjeld, samt usikre eiendeler og forpliktelser på balansedagen under utarbeidelsen av årsregnskapet i henhold til god regnskapsskikk.

Kontantstrømoppstilling

Kontantstrømoppstillingen er utarbeidet etter den indirekte metode. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd, fordring konsernkontoordning og andre kortsiktige, likvide plasseringer.

Note 2 - Driftsinntekter

Selskapets inntekter knytter seg til utleie av personell til, samt vedlikehold for operasjon av boreanlegg.

Personell er hovedsakelig utleid i Nordsjøen.

Note 3 - Nærstående transaksjoner - Inntekt fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser.

Beskrivelse nærstående	Type transaksjon	2023	2022
OT Ltd Group - konsernselskap	Utleie personell onshore	25 014	2 941
OT Ltd Group - konsernselskap	Utleie personell offshore	21 065	5 977
OD Ltd Group - nærstående part	Utleie personell offshore	714	0
Sum		46 793	8 918

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Odfjell Operations AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

For kjøp/kostnad fra nærstående parter, se note 7.

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).

Note 4 - Lønnskostnader, antall ansatte, lån til ansatte og godtgjørelse til revisor

Beløp vises i tusen kr

Lønnskostnader	2023	2022
Lønninger	531 500	507 958
Arbeidsgiveravgift	90 646	77 877
Pensjonskostnader, se note 5	35 681	34 526
Andre ytelser	34 714	27 008
Innleie	138 252	143 748
Sum	830 794	791 117

Daglig leder er innleid som en del av managementtjenester fra Odfjell Platform Drilling AS. Kostnaden er inkludert i management fee. For spesifikasjon av ytelser til daglig leder, se note 4 i årsregnskapet til morselskap, Odfjell Platform Drilling AS.

Det er ikke gitt ytelser til styret for inneværende år.

Det er ikke ytet lån eller stilt garantier til daglig leder, styreleder eller andre personlige nærstående parter.

Godtgjørelse til revisor er fordelt på følgende:	2023	2022
Lovpålagt revisjon	146	130

Merverdiavgift er ikke inkludert i revisjonshonoraret.

Note 5 - Pensjoner

Beløp vises i tusen kr

Selskapet er pliktig til å ha tjenstepensjonsordning etter lov om obligatorisk tjenstepensjon.

Selskapets pensjonsordninger tilfredsstiller kravene i denne lov.

Selskapet har en kollektiv innskuddsordning som omfatter 463 personer pr. 31.12.2023 (467 personer pr. 31.12.2022). Kostnad knyttet til innskuddspensjon utgjorde kr 23 millioner for regnskapsåret 2023.

Selskapet har en usikret forpliktelse knyttet til gavepensjon på inntil 1G årlig i perioden 62-67 år ved fratredelse av stilling. Kostnad knyttet til denne ytelsesordningen fremkommer av talbellen nedenfor.

Selskapet er medlem av den nye AFP-ordningen. AFP-ordningen er en ordning som gir livslangt tillegg på den ordinære pensjonen. De ansatte kan velge å ta ut den nye AFP-ordningen fra og med fylte 62 år. Den nye AFP-ordningen er en ytelsesbasert flerforetakspensjonsordning og finansieres gjennom premier som fastsettes som en prosent av lønn. Foreløpig foreligger ingen pålitelig måling og allokering av forpliktelse og midler i ordningen. Regnskapsmessig blir ordningen behandlet som en innskuddsbasert pensjonsordning hvor premiebetalinger kostnadsføres løpende, og ingen avsetning foretas i regnskapet.

I 2023 utgjorde premien 2,6 % av lønn mellom 1G og 7,1G. Premiesatsen vil uendret i 2024.

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Odfjell Operations AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

	2023	2022
Nåverdi av årets pensjonsopptjening	2 810	3 042
Rentekostnad av pensjonsforpliktelsen	448	227
Resultatført estimatavvik	391	582
Arbeidsgiveravgift	459	461
Netto pensjonskostnad ytelsesordninger	4 108	4 312
Kostnad innskuddspensjon	23 206	21 721
Kostnad flerforetaksordning bokført som innskuddsbasert (AFP)	8 367	8 494
Netto pensjonskostnad ytelsesordninger	35 681	34 526
	2023	2022
Opptjente pensjonsforpliktelser	17 520	15 862
Beregnete pensjonsforpliktelser	17 520	15 862
Ikke resultatført virkning av estimatavvik	-8 292	-4 942
Arbeidsgiveravgift	2 470	2 237
Estimatavvik AGA	-1 169	-697
Netto pensjonsforpliktelse	10 529	12 460

Pensjonsforpliktelsen gjelder i sin helhet gavepensjon som er en usikret ordning.

<i>Økonomiske forutsetninger:</i>	2023	2022
Diskonteringsrente	3,70%	3,20%
Forventet lønnsregulering	3,75%	3,75%
Forventet pensjonsregulering	3,50%	3,50%
Forventet G-regulering	3,50%	3,50%

De aktuariemessige forutsetningene er basert på vanlige benyttede forutsetninger innen forsikring når det gjelder demografiske faktorer.

Note 6 - Driftskostnader

Beløp vises i tusen kr

	2023	2022
Innleid utstyr og tjenester	140 947	68 254
Vedlikehold, reparasjon og inspeksjon av utstyr	23 493	24 328
Diverse verktøy og reservedeler	63 011	46 125
Kurs og reiseutgifter	21 451	19 123
Annen driftskostnad	31 798	24 788
Sum	280 699	182 617



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Odfjell Operations AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 7 - Nærstående transaksjoner - kjøp/kostnad fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser.

Beskrivelse nærstående part	Type transaksjon	2023	2022
OT Ltd Group - konsernselskap	Management tjenester	149 173	98 765
OT Ltd Group - konsernselskap	Leie personell offshore	21 316	20 628
OT Ltd Group - konsernselskap	Leie utstyr	74 909	63 787
OT Ltd Group - konsernselskap	Leie personell og utstyr	1 807	8 741
OD Ltd Group - nærstående part	Management tjenester	3 580	7 931
OD Ltd Group - nærstående part	Leie personell offshore	13	337
Sum		250 797	200 189

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).

Note 8 - Finansinntekter og kostnader

Beløp vises i tusen kr

Finansinntekter

	2023	2022
Renteinntekter	5 620	2 392
Netto valutagevinst	1 038	564
Sum finansinntekter	6 658	2 956

Finanskostnader

	2023	2022
Rentekostnader	-2 758	-1 250
Andre finanskostnader	0	-34
Sum finanskostnader	-2 758	-1 284



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Odfjell Operations AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 9 - Skatt

Beløp vises i tusen kr

Årets skattekostnad fordeler seg på:

	2023	2022
Betalbar skatt	0	13 284
Endring utsatt skatt	643	-204
Årets totale skattekostnad	643	13 080

Beregning av årets skattegrunnlag:

	2023	2022
Ordinært resultat før skattekostnad	-17 688	59 455
Endring i midlertidige forskjeller	-2 923	927
Alminnelig inntekt	-20 611	60 382
Mottatt konsernbidrag	20 612	0
Ytet konsernbidrag	0	-60 382
Årets skattegrunnlag	0	0
Betalbar skatt (22%) av årets skattegrunnlag	0	0

Oversikt over midlertidige forskjeller

	2023	2022
Driftsmidler inkl goodwill	-3 999	-4 998
Gevinst- og tapskonto	28	35
Netto pensjonsforpliktelse som er ført i balansen	-10 529	-12 460
Netto midlertidige forskjeller pr 31.12	-14 500	-17 423

Utsatt skattefordel/Utsatt skatt (22%)

-3 190 -3 833

Oversikt over endringer i midlertidige forskjeller som påvirker skattbart resultat

	2023	2022
Driftsmidler inkl goodwill	-1 000	-1 250
Gevinst- og tapskonto	7	9
Netto pensjonsforpliktelse som er ført i balanse	1 930	2 168
Sum endring i midl. forskjeller som påvirker skattegrunnlaget	938	927



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Odfjell Operations AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 10 - Egenkapital

Beløp vises i tusen kr

	Aksjekapital	Annen innskutt egenkapital	Annen egenkapital	Sum
Egenkapital 01.01.2023	21 402	40 101	0	61 503
Årsresultat	0	0	-13 797	-13 797
Mottatt konsernbidrag	0	16 077	0	16 077
Egenkapital 31.12.2023	21 402	56 178	-13 797	63 784

Selskapet har mottatt konsernbidrag med skatteeffekt fra søsterselskap Odfjell Engineering AS.

Note 11 - Kundefordringer, andre kortsiktige fordringer og kortsiktig gjeld

Beløp vises i tusen kr

<i>Kundefordringer</i>	2023	2022
Kundefordringer - ekstern, brutto beløp	175 104	165 864
Kundefordringer - konsern, se note 13	5 598	3 249
	<u>180 701</u>	<u>169 112</u>
 <i>Andre kortsiktige fordringer</i>	 2023	 2022
Andre fordringer på konsern selskap, se note 13	20 612	2 432
Andre kortsiktige fordringer - forskuddsbetalinger m.m.	14 556	7 715
Tilgode mva	9 473	7 681
	<u>44 640</u>	<u>17 827</u>
 <i>Leverandørgjeld</i>	 2023	 2022
Leverandørgjeld - ekstern	-49 273	-34 741
Leverandørgjeld - konsern, se note 13	-47 069	-28 850
	<u>-96 343</u>	<u>-63 591</u>
 <i>Kortsiktig gjeld</i>	 2023	 2022
Gjeld til selskap i samme konsern, se note 13	-10 841	-125 803
Påløpt lønn, overtid m.m.	-98 355	-94 975
Andre påløpte kostnader	0	-12 479
Uopptjent inntekt, se note 16	-33 084	-24 199
	<u>-142 280</u>	<u>-257 455</u>



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Odfjell Operations AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 12 - Konsernkontoordning

Beløp vises i tusen kr

Selskapets driftkontoer inngår pr 31.12.2022 i konsernkontoordning hvor Odfjell Technology Ltd er konsernkontoeier og således eier av bankmidlene. Konsernkontosystemet er opprettet for å bidra til en optimal likviditetsstyring i Odfjell Technology Ltd konsernet. Selskapet har solidaransvar for innskudd i konsernkontoordning, og har ikke separatistrettighet for midler som inngår i konsernkontoordningen.

Netto innestående på konsernkontoordningen er klassifisert som annen kortsiktig fordring i balansen.

<i>Oversikt konsernkontoordning</i>	2023	2022
NOK	140 586	143 783
USD	-25 953	3 474
GBP	-1 735	579
EUR	-3 802	728
Sum fordring konsernkontoordning	<u>109 096</u>	<u>148 564</u>

Note 13 - Mellomværende med selskap i samme konsern m.v

Beløp vises i tusen kr

Fordringer og gjeld mellom konsernselskaper (samme konsern) og konsernselskaper (nærstående konsern) knytter seg til den løpende drift og konsernbidrag. Konsernmellomværende er gjengitt på egne linjer i balansen.

<i>Kortsiktige driftsrelaterte fordringer</i>	2023	2022
OT Ltd Group - konsernselskap	5 542	5 680
OD Ltd Group - nærstående part	56	0
Sum driftsrelaterte fordringer	<u>5 598</u>	<u>5 680</u>
 <i>Kortiktig driftsrelatert gjeld</i>	 2023	 2022
OT Ltd Group - konsernselskap	-57 895	-42 874
OD Ltd Group - nærstående part	-15	-1 398
Sum driftsrelatert gjeld	<u>-57 910</u>	<u>-44 271</u>
 <i>Konsernbidrag og utbytte</i>	 2023	 2022
Mottatt konsernbidrag - OT Ltd Group - konsernselskap	20 612	0
Avgitt konsernbidrag - OT Ltd Group - konsernselskap	0	-60 382
Avgitt utbytte - OT Ltd Group - konsernselskap	0	-50 000
Sum mottatt + / avgitt -	<u>20 612</u>	<u>-110 382</u>

Konsernets kortsiktige mellomværende forfaller til betaling innen ett år etter regnskapsårets utgang.

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).



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Odfjell Operations AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 14 - Bankinnskudd

Beløp vises i tusen kr

	2023
Bundne skattetrekksmidler utgjør	28 159

Note 15 - Aksjekapital og aksjonærinformasjon

Balanseført i tusen kr

Aksjekapitalen består av:

	Antall	Pålydende	Balanseført
Ordinære aksjer	21 402	1 000	21 402

Alle aksjer i selskapet tilhører samme aksjeklasse, og har like stemmerettigheter.

Oversikt over aksjonærene i selskapet pr. 31.12:

	Ordinære aksjer	Eierandel	Stemmeandel
Odfjell Platform Drilling AS	21 402	100 %	100 %

Note 16 - Uopptjent inntekt

Beløp vises i tusen kr

	2023	2022
Relatert til uopptjent inntekt	-33 084	-24 199
Utsatt inntekt knyttet til periodisk vedlikehold	0	-4 723
Sum	-33 084	-28 923

Inntekt knyttet til periodisk vedlikehold og overhaling av utstyr mot Equinor og ConocoPhillips. Inntekten tas når vedlikeholdet og overhalingen utføres, og perioden for vedlikehold er fra 2024 - 2030. Fordeling Uopptjent inntekt knyttet til periodisk vedlikehold er avsatt som kortsiktig gjeld.

Note 17 - Pant og garantier

Beløp vises i tusen kr

Konsernet Odfjell Technology har fellesregistrering knyttet til merverdiavgift for konsernets avgiftsregistrerte foretak. Selskapet inngår i denne fellesregistreringen og er således solidarisk ansvarlig for skyldig merverdiavgift i Norge.



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Til generalforsamlingen i Odfjell Operations AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert årsregnskapet for Odfjell Operations AS som består av balanse per 31. desember 2023, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2023, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke informasjonen i årsberetningen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder

Offices in:

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bode	Knaresund	Stord	Ålesund
Drammen	Kristiansund	Straume	

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vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av intern kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifierer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.

Bergen

KPMG AS

Ståle Christensen
Statsautorisert revisor
(elektronisk signert)

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Christensen, Ståle

Partner

På vegne av: KPMG AS

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ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 963 228 252
Organisasjonsform: Aksjeselskap
Foretaksnavn: ODFJELL OPERATIONS AS
Forretningsadresse: Kokstadflaten 35
5257 KOKSTAD

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Thomas Pettersen
Dato for fastsettelse av årsregnskapet: 03.05.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 18.02.2025



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Sum inntekter	2, 2, 3	1 031 519 000	963 620 000
Kostnader			
Lønnskostnad	4, 5, 7	791 117 000	758 649 000
Annen driftskostnad	6, 7	182 619 000	165 093 000
Sum kostnader		973 736 000	923 742 000
Driftsresultat		57 783 000	39 879 000
Finansinntekter og finanskostnader			
Finansinntekt	8	2 956 000	32 000
Sum finansinntekter		2 956 000	32 000
Finanskostnad	8	1 284 000	833 000
Sum finanskostnader		1 284 000	833 000
Netto finans		1 672 000	-801 000
Ordinært resultat før skattekostnad		59 455 000	39 078 000
Skattekostnad på ordinært resultat	9	13 080 000	8 597 000
Ordinært resultat etter skattekostnad		46 375 000	30 480 000
Årsresultat	17	46 375 000	30 480 000
Overføringer og disponeringer			
Ordinært utbytte	10	50 000 000	
Avgitt konsernbidrag	10	47 098 000	29 636 000
Overføringer annen egenkapital	10	-50 723 000	844 000
Sum overføringer og disponeringer		46 375 000	30 480 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	9	3 833 000	3 629 000
Sum immaterielle eiendeler		3 833 000	3 629 000
Sum anleggsmidler		3 833 000	3 629 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	11, 13	169 112 000	157 811 000
Andre kortsiktige fordringer	11, 13	17 827 000	17 415 000
Sum fordringer	12	335 504 000	346 934 000
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	14	105 724 000	24 542 000
Sum omløpsmidler		441 228 000	371 476 000
SUM EIENDELER		445 061 000	375 104 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	10, 15	21 402 000	21 402 000
Annen innskutt egenkapital	10	40 101 000	49 784 000
Sum innskutt egenkapital		61 503 000	71 186 000
Opptjent egenkapital			
Annen egenkapital	10		41 040 000
Sum opptjent egenkapital			41 040 000



Balanse

Beløp i: NOK	Note	2022	2021
Sum egenkapital		61 503 000	112 226 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	5	12 460 000	10 292 000
Andre avsetninger for forpliktelser	16	4 723 000	26 004 000
Sum avsetninger for forpliktelser		17 183 000	36 296 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		17 183 000	36 296 000
Kortsiktig gjeld			
Leverandørgjeld	11, 13	63 591 000	52 195 000
Betalbar skatt	9	0	0
Skyldige offentlige avgifter	17	45 328 000	43 403 000
Annen kortsiktig gjeld	11, 13	257 455 000	130 984 000
Sum kortsiktig gjeld		366 375 000	226 582 000
Sum gjeld		383 558 000	262 878 000
SUM EGENKAPITAL OG GJELD		445 061 000	375 104 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 482029

Enheten

Organisasjonsnummer: 963 228 252
Organisasjonsform: Aksjeselskap
Foretaksnavn: ODFJELL OPERATIONS AS
Forretningsadresse: Kokstadflaten 35
5257 KOKSTAD

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Thomas Pettersen
Dato for fastsettelse av årsregnskapet: 03.05.2023

Grunnlag for avgivelse

År 2022: Årsregnskap er elektronisk innlevert.
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 19.06.2023



Organisasjonsnr: 963 228 252
ODFJELL OPERATIONS AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Sum inntekter	2, 2, 3	1 031 519 000	963 620 000
Kostnader			
Lønnskostnad	4, 5, 7	791 117 000	758 649 000
Annen driftskostnad	6, 7	182 619 000	165 093 000
Sum kostnader		973 736 000	923 742 000
Driftsresultat		57 783 000	39 879 000
Finansinntekter og finanskostnader			
Finansinntekt	8	2 956 000	32 000
Sum finansinntekter		2 956 000	32 000
Finanskostnad	8	1 284 000	833 000
Sum finanskostnader		1 284 000	833 000
Netto finans		1 672 000	-801 000
Ordinært resultat før skattekostnad		59 455 000	39 078 000
Skattekostnad på ordinært resultat	9	13 080 000	8 597 000
Ordinært resultat etter skattekostnad		46 375 000	30 480 000
Årsresultat	17	46 375 000	30 480 000
Overføringer og disponeringer			
Ordinært utbytte	10	50 000 000	
Avgitt konsernbidrag	10	47 098 000	29 636 000
Overføringer annen egenkapital	10	-50 723 000	844 000
Sum overføringer og disponeringer		46 375 000	30 480 000



Organisasjonsnr: 963 228 252
ODFJELL OPERATIONS AS

BALANSE

Beløp i: NOK	Note	2022	2021
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BALANSE - EIENDELER

Anleggsmidler

Immaterielle eiendeler

Utsatt skattefordel	9	3 833 000	3 629 000
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Sum immaterielle eiendeler		3 833 000	3 629 000
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Sum anleggsmidler		3 833 000	3 629 000
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Omløpsmidler

Varer

Fordringer

Kundefordringer	11, 13	169 112 000	157 811 000
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Andre kortsiktige			
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fordringer	11, 13	17 827 000	17 415 000
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Sum fordringer	12	335 504 000	346 934 000
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Bankinnskudd, kontanter

og lignende

Sum bankinnskudd,			
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kontanter og lignende	14	105 724 000	24 542 000
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Sum omløpsmidler		441 228 000	371 476 000
------------------	--	-------------	-------------

SUM EIENDELER		445 061 000	375 104 000
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BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Aksjekapital	10, 15	21 402 000	21 402 000
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Annen innskutt egenkapital	10	40 101 000	49 784 000
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Sum innskutt egenkapital		61 503 000	71 186 000
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Opptjent egenkapital

Annen egenkapital	10		41 040 000
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Sum opptjent egenkapital			41 040 000
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Sum egenkapital		61 503 000	112 226 000
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Gjeld

Langsiktig gjeld

Pensjonsforpliktelser	5	12 460 000	10 292 000
-----------------------	---	------------	------------

Andre avsetninger for			
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forpliktelser	16	4 723 000	26 004 000
---------------	----	-----------	------------

Sum avsetninger for			
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forpliktelser		17 183 000	36 296 000
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Annen langsiktig gjeld			
Sum langsiktig gjeld		17 183 000	36 296 000
Kortsiktig gjeld			
Leverandørgjeld	11, 13	63 591 000	52 195 000
Betalbar skatt	9	0	0
Skyldige offentlige avgifter	17	45 328 000	43 403 000
Annen kortsiktig gjeld	11, 13	257 455 000	130 984 000
Sum kortsiktig gjeld		366 375 000	226 582 000
Sum gjeld		383 558 000	262 878 000
SUM EGENKAPITAL OG GJELD		445 061 000	375 104 000



Organisasjonsnr: 963 228 252
ODFJELL OPERATIONS AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
15

Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Ordinære aksjer	21402.00	1000.00	21402000.00
<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
Odfjell Platform Drilling AS	21402.00	100.00%	Ordinære aksjer
<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	21402.00	100.00%	

Note
4

Lønn og ytelser

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	507957933000.00	483991557000.00
<u>Arbeidsgiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	77876697000.00	73055284000.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	34526411000.00	34208964000.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	170756163000.00	167393003000.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	791117204000.00	758648808000.00

Daglig leder er innleid som en del av managementtjenester fra Odfjell Platform Drilling AS. Kostnaden er inkludert i management fee. Det er ikke gitt ytelser til styret for inneværende år. Det er ikke ytet lån eller stilt garantier til daglig leder, styreleder eller andre personlige nærstående parter.



Note

Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	130000000.00	159000000.00
<u>Andre tjenester</u>	<u>Årets</u>	<u>Fjorårets</u>
		30000000.00
<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	130000000.00	189000000.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
525.00

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
<u>Skattemessig fremf.undersk.</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
<u>Kortsiktig gjeld</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>



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Odfjell Operations AS

Årsrapport for 2022

Årsberetning

Årsregnskap

- Resultatregnskap
- Balanse
- Kontantstrømoppstilling
- Noter

Revisjonsberetning



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Odfjell Operations AS

Årsberetning 2022

Odfjell Operations AS

Adresse: Kokstadflaten 35, 5257 Kokstad

Org.nr: 963 228 252 MVA

Virksomhetens art

Odfjell Operations AS driver med plattformboring for kunder i Nordsjøen. Dette omfatter operasjon og vedlikehold av boreanlegg. Selskapet har hovedkontor i Bergen og driftsavdelinger i Stavanger og Stjørdal.

Utvikling i resultat og stilling

Selskapet opererer to plattforminstallasjoner for Equinor, henholdsvis Heidrun og Johan Sverdrup. Heidrun påbegynte sin faste 4 års periode 1. oktober 2018 og har i tillegg 3x2 års opsjoner. Johan Sverdrup har 4 års fast periode, med 6x1 års opsjoner. Kontrakten startet i november 2018. Equinor utøvde 2 års opsjon på begge kontraktene i februar 2022.

Selskapet opererer også Brage plattformen for Wintershall DEA, som ble startet opp i første halvår 2017. I midten av desember 2020 utøvde Wintershall DEA to opsjoner, noe som førte til at kontrakten ble forlenget med 4 år. Etter et år i stans fra april 2020 grunnet usikkerhet knyttet til Covid, startet Wintershall operasjonen på Brage på nytt fra april 2021. Odfjell Operations AS startet juli 2020 operasjoner på 3 plattformer på Ekofisk feltet for ConocoPhillips. Kontrakten har en varighet på 5 år med opptil 2x3 års opsjoner. OKEA ASA overtok operatøransvaret på Brage fra Wintershall Dea 1 november 2022. Borekontrakten, som har de samme kontraktuelle betingelsene som Odfjell Technology hadde med Wintershall Dea, har en varighet til desember 2024.

Selskapet har et positivt driftsresultat, noe som ventes å fortsette i 2023.

Aktuell ordresreserve og ingen signaler fra kunde om bruk av force majeure klausuler, gjør sitt til at selskapet i begrenset grad vurderes eksponert for bortfall av inntekter. Selskapet vil jobbe aktivt for å opprettholde omsetning i årene fremover. Det presiseres at det alltid vil være knyttet usikkerhet til fremtidig utvikling.

Omsetningen er i 2022 1 031 519 tusen kroner som er en oppgang på 7.05 % fra i fjor. Årsresultatet ble økt med 52.15 % til 46 375 tusen kroner. Det har vært flere endringer i operasjoner gjennom året, herunder start på Brage plattformen fra april 2021 og faseendringer knyttet til enheter under ConocoPhillips kontrakten.

Pr. 31.12.2022 hadde selskapet en likviditetsbeholdning på MNOK 254,2 inklusive fordringer på konsernkontoordning. Foretakets kortsiktige likviditet blir styrt via deltakelse i konsernkontosystem. Selskapet hadde i 2022 en positiv kontantstrøm fra operasjonen på MNOK 66,6. Den positive kontantstrømmen er i hovedsak knyttet til årets resultat og endring arbeidskapital. Kontantstrøm fra finansieringsaktiviteter var positiv med MNOK 14,5 knyttet til utbetaling av konsernbidrag samt netto endring i fordring konsernkontoordning.

Selskapets finansielle stilling pr. 31.12.2022 anses som tilfredsstillende. Foretaket har oppnådd bedret lønnsomhet på eksisterende kontrakter, noe som bidrar til økt inntjening og likviditet.

Totalkapitalen var ved utgangen av året 445 061 tusen kroner, sammenlignet med 375 104 tusen kroner året før. Egenkapitalandelen pr. 31.12.2022 var 13.8 % sammenlignet med 29.9 % i fjor.

Side 2



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Odfjell Operations AS

Styret mener at det fremlagte årsregnskapet gir et rettviseende bilde over utviklingen og resultatet av foretakets virksomhet og stilling. Det er ikke inntrådt forhold etter regnskapsårets utgang som er av vesentlig betydning ved bedømmelse av selskapets resultat og stilling, annet enn omtalt over.

Fortsatt drift

Årsregnskapet er satt opp under forutsetning om fortsatt drift og vi bekrefter at denne forutsetning er til stede.

Til grunn for antagelsen ligger at selskapet vurderes å ha tilstrekkelig likviditet og egenkapital ved årsslutt 2022 som sikrer fortsatt drift.

Arbeidsmiljø

Selskapets HSE policy er å opprettholde den høyeste sikkerhetsstandard og beskytte helsen til våre arbeidstakere. 4 av 6 plattformer opererte uten rapporteringspliktige personskader. Totalt sett hadde selskapet 3 rapporteringspliktige arbeidsrelaterte personskader i 2022, hvorav 2 med fravær, men ingen klassifisert som alvorlige. Det var 7 fallende gjenstander over 40 joule i våre operasjoner, ingen av den medførte skade på personell.

Arbeidsmiljø- og organisasjonsundersøkelser blir avholdt hvert andre år per plattform offshore. Siste undersøkelse i 2021 viste gode resultater og ny undersøkelse planlegges i 2023.

Totalt sykefravær for selskapet i 2022 var på 8,4%. Oppfølging og forebygging av sykefraværet har hatt høy fokus i 2021 og særlig knyttet til økt fravær grunnet Covid-19. Sykefraværet relatert til Covid-19 var på 0,78%. Konsernet har etablert bedriftshelsetjeneste og selskapet følger opp sykemeldt personell etter de prinsipper som ligger til grunn for et inkluderende arbeidsliv. I tillegg har alle våre ansatte helseforsikring som tilbyr både forebyggende og konsekvensreducerende helsetiltak.

Virksomheten er sertifisert i henhold til ISO 9001: Ledelsessystemer for kvalitet og ISO 14001: Ledelsessystemer for miljø, og arbeider i henhold til gjeldene regelverk.

Det arbeides kontinuerlig med forbedringstiltak for å unngå skade på personell, fallende gjenstander og forebygge utilsiktede utslipp. Hovedpunkter i KHMS program for 2022 bygger på allerede startet forbedringsprosesser fra 2020-2021, og kan kort oppsummeres til å omfatte følgende områder:

- Forenkling og standardisering av prosesser og prosedyrer
- Fortsette digitalisering av systemer
- Styrking av risikostyringsprosesser og Cyber security
- Sikring av kompetanse og kapasitet
- Forebygge brønnkontrollhendelser og fallende gjenstander
- Utvikling av global wellness program
- Fortsette arbeidet med styrking av Human Factor forståelse i sikkerhetsarbeidet
- Minimere ytre miljø påvirkning og redusere karbon utslipp

For ytterligere detaljer om HMS og bærekraft vises det til Odfjell Technologys årsrapport og ESG årsrapport.



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Odfjell Operations AS

Diskriminering

Selskapet arbeider aktivt for å forhindre diskriminering som følge av nedsatt funksjonsevne, etnisitet, nasjonal opprinnelse, hudfarge, religion eller livssyn.

Som et ledd i selskapets "Human Right Policy" er det også vedtatt forbud mot alle former for tvangsarbeid eller barnearbeid. All Odfjell Technology's aktivitet skal være i samsvar med internasjonalt anerkjente arbeidsstandarder innenfor områder som lønn, arbeidstid, disiplinære metoder, arbeidsavtaler og arbeidsforhold. Tilsvarende krav skal også håndheves gjennom kontrakter med leverandører, samarbeidspartnere, agenter etc. Konsernet jobber med å ferdigstille «Human rights policy» i henhold til ikrafttredelse av den nye Åpenhetsloven av 1. juli 2022, som vil være klar innen 30. juni 2023 og vil da være tilgjengelig på Odfjell Technology's offentlige website; www.odfjelltechnology.com.

Ytre miljø

Selskapet skal arbeide for å redusere negative effekter for ytre miljø og fremme energi sparing. Selskapet opererte uten utilsiktede utslipp til sjø i 2022.

Likestilling og diskriminering

Selskapet er omfattet av sentrale protokoller inngått med partene i arbeidslivet om likestilling mellom kvinner og menn. De sentrale foreningene er alle representert i bedriften med egne lokale klubber der partene lokalt er enige om å fortsette arbeidet med å tilrettelegge forholdene slik at kvinner og menn gis like muligheter. Selskapet skal i sin personalpolitikk ivareta likestillingsperspektivet ved ansettelse, lønn, forfremmelser og kompetansegivende etter- og videreutdanning.

Partene har pekt på at;

Likestilling er et lederansvar

Likestilling gjelder også holdninger og normer, og krever sterk medvirkning fra de tillitsvalgte.

Likestillingsarbeidet bør drøftes og følges opp i etablert samarbeidsfora i bedriften.

Selskapet har tradisjonelt rekruttert hovedtyngden av sitt personell fra fagmiljøer hvor kvinner i liten grad er representert. I offshoreorganisasjoner er det fremdeles kun et fåtall kvinner ansatt. Alle ansatte, kvinner og menn, er omfattet av de samme tariffavtaler, arbeidstidsordninger og lønnsavtaler og har identiske vilkår i alle stillinger hvor det er ansatt både kvinner og menn.

Andelen kvinner i selskapet er 2,9% ned fra 3,4% i 2021. Kvinner er dessuten representert i selskapets og konsernets toppledelse.

Redegjørelse i henhold til Likestillings- og diskrimineringsloven §26 er tilgjengelig på Odfjell Technology's offentlige website; www.odfjelltechnology.com

Forsikring for styrets medlemmer og daglig leder

Det er tegnet forsikring på konsernnivå for styrets medlemmer og daglig leder for deres mulige ansvar overfor selskapet og tredjepersoner. Forsikringen er begrenset til MNOK 75 per år og per hendelse.

Simon Lieungh

Simon Lieungh
releder

Kurt Werner Holsæter
Styremedlem

Jone Torstensen

Jone Torstensen
Styremedlem

I 2023
Operations AS

Odfjell
r

Frederik Gungen

Harald Asle Hereid

Harald Asle Hereid
Styremedlem



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Odfjell Operations AS

Resultatregnskap

Beløp vises i tusen kr

	Note	2022	2021
Driftsinntekter			
Driftsinntekter	2, 3	1 031 519	963 620
Driftskostnader			
Lønnskostnad	4, 5, 7	791 117	758 649
Annen driftskostnad	6, 7	182 619	165 093
Sum driftskostnader		973 736	923 742
Driftsresultat		57 783	39 879
Finansinntekter og finanskostnader			
Finansinntekt	8	2 956	32
Finanskostnad	8	1 284	833
Netto finansposter		1 672	-801
Ordinært resultat før skattekostnad		59 455	39 078
Skattekostnad på ordinært resultat	9	13 080	8 597
Årsresultat		46 375	30 480
Overføringer og disponeringer			
Ordinært utbytte	10	50 000	0
Avgitt konsernbidrag	10	47 098	29 636
Overføringer annen egenkapital	10	-50 723	844
Sum disponert		46 375	30 480



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Odfjell Operations AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2022	2021
Anleggsmidler			
<i>Immaterielle eiendeler</i>			
Utsatt skattefordel	9	3 833	3 629
Omløpsmidler			
<i>Fordringer</i>			
Kundefordringer	11, 13	169 112	157 811
Fordring konsernkontoordning	12	148 564	171 708
Andre kortsiktige fordringer	11, 13	17 827	17 415
Sum fordringer		335 504	346 934
Bankinnskudd, kontanter og lignende	14	105 724	24 542
Sum omløpsmidler		441 228	371 476
Sum eiendeler		445 061	375 104



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Odfjell Operations AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2022	2021
Egenkapital			
<i>Innskutt egenkapital</i>			
Aksjekapital	10, 15	21 402	21 402
Annen innskutt egenkapital	10	40 101	49 784
Sum innskutt egenkapital		61 503	71 186
<i>Opptjent egenkapital</i>			
Annen egenkapital	10	0	41 040
Sum egenkapital		61 503	112 226
Gjeld			
<i>Avsetninger for forpliktelser</i>			
Pensjonsforpliktelser	5	12 460	10 292
Andre avsetninger for forpliktelser	16	4 723	26 004
Sum avsetning for forpliktelser		17 183	36 296
<i>Kortsiktig gjeld</i>			
Leverandørgjeld	11, 13	63 591	52 195
Betalbar skatt	9	0	0
Skyldige offentlige avgifter	17	45 328	43 403
Annen kortsiktig gjeld	11, 13	257 455	130 984
Sum kortsiktig gjeld		366 375	226 582
Sum gjeld		383 558	262 878
Sum egenkapital og gjeld		445 061	375 104

Simen Lieungh

 Lieungh
leder


Kurt Werner Holsæter
Styremedlem

Jon Torstensen 2023

 jell
Torstensen

Jone Torstensen
Styremedlem

Frederik Oljen

 lenjen
lem

Harald Asle Hereid
Styremedlem



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Odfjell Operations AS

Kontantstrømoppstilling

Beløp vises i tusen kr

	Note	2022	2021
Kontantstrømmer fra operasjonelle aktiviteter			
Resultat før skattekostnad		59 455	39 078
Endring i kundefordringer og leverandørgjeld		95	-53 796
Forskjeller i pensjonsmidler/-forpliktelser		2 168	468
Endring i andre tidsavgrensningsposter		7 351	29 027
Endring i kortsiktig mellomværende ekskl. konsernbidrag		-2 432	5 637
Netto kontantstrøm fra operasjonelle aktiviteter		66 636	20 414
Kontantstrømmer fra investeringsaktiviteter			
Netto kontantstrøm fra investeringsaktiviteter		0	0
Kontantstrømmer fra finansieringsaktiviteter			
Inn-/utbetalinger av konsernbidrag		-8 597	-37 049
Netto endring fordring / gjeld konsernkontoordning		23 143	17 656
Netto kontantstrøm fra finansieringsaktiviteter		14 546	-19 393
Effekt av valutakursendringer på likvider		0	0
Netto endring i likvider i året		81 183	1 020
Kontanter og bankinnskudd per 01.01		24 542	23 521
Kontanter og bankinnskudd per. 31.12		105 724	24 542



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Odfjell Operations AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 1 - Regnskapsprinsipper

Årsregnskapet består av resultatregnskap, balanse, noteopplysninger, kontantstrømoppstilling og er avlagt i samsvar med regnskapslov og god regnskapsskikk i Norge. Norske kroner benyttes som funksjonell og rapporterings valuta i regnskapet.

Selskapet er en del av Odfjell Technology konsernet. Det ultimate morselskap er Odfjell Technology Ltd som har forretningskontor i Aberdeen, Skottland.

Konsernregnskapet er tilgjengelig på selskapets hjemmeside www.odfjelltechnology.com.

Inntektsføring

Selskapets inntekter er basert på utleie av personell. Inntektsføringen skjer i den perioden tjenesten er utført.

Periodisk vedlikeholdsansvar på leiet utstyr / Utsatt inntekt

Under enkelte kontraktene har selskapet klassifikasjons- og vedlikeholdsansvar for boreutstyr og brønnsikringsutstyr på kundenes faste installasjoner. Inntekt knyttet til periodisk vedlikehold og klassing av utstyr faktureres som del av dagraten. Inntekten tas når vedlikeholdet og klassingen utføres. Ved utløpet av hver regnskapsperiode oppdateres estimat for utsatt inntekt. Utsatt inntekt knyttet til periodisk vedlikeholdskontrakter klassifiseres i balansen som *Andre avsetninger for forpliktelser*.

Klassifisering og vurdering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter balansedagen, samt poster som knytter seg til varekretsløpet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Anleggsmidler med begrenset økonomisk levetid avskrives planmessig. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Fordringer

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene. I tillegg gjøres det for øvrige kundefordringer en uspesifisert avsetning for å dekke antatt tap.

Skatter

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet og nettoført. Netto utsatt skattefordel balanseføres i den grad det er sannsynlig at denne kan bli nyttiggjort.

Betalbar skatt og utsatt skatt er regnskapsført direkte mot egenkapitalen i den grad skattepostene relaterer seg til egenkapitaltransaksjoner.



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Odfjell Operations AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Valuta

Transaksjoner i annen valuta som er med i resultatregnskapet er omregnet til norske kroner etter månedlige kurser. Pengeposter i utenlandsk valuta er vurdert til kursen ved regnskapsårets slutt.

Pensjoner

Pensjonskostnader og pensjonsforpliktelser knyttet til ytelsesbaserte pensjonsordninger beregnes etter lineær opptjening basert på forventet sluttlønn. Beregningen er basert på en rekke forutsetninger herunder diskonteringsrente, fremtidig regulering av lønn, pensjoner og ytelser fra folketrygden, fremtidig avkastning på pensjonsmidler samt aktuarmessige forutsetninger om dødelighet og frivillig avgang. Pensjonsmidler er vurdert til virkelig verdi og fratrukket i netto pensjonsforpliktelser i balansen. Endringer i forpliktelsen som skyldes endringer i pensjonsplaner fordeles over antatt gjenværende opptjeningstid. Endringer i forpliktelsen og pensjonsmidlene som skyldes endringer i og avvik i beregningsforutsetningene (estimatendringer) fordeles over antatt gjennomsnittlig gjenværende opptjeningstid hvis avvikene ved årets begynnelse overstiger 10 % av det største av brutto pensjonsforpliktelser og pensjonsmidler. Periodens netto pensjonskostnad klassifiseres som lønns- og personalkostnader.

Pensjonspremie i innskuddsbasert pensjonsordninger kostnadsføres fortløpende.

Bruk av estimer

Ledelsen har brukt estimer og forutsetninger som har påvirket resultatregnskapet og verdsettelsen av eiendeler og gjeld, samt usikre eiendeler og forpliktelser på balansedagen under utarbeidelsen av årsregnskapet i henhold til god regnskapsskikk.

Kontantstrømoppstilling

Kontantstrømoppstillingen er utarbeidet etter den indirekte metode. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd, fordring konsernkontoordning og andre kortsiktige, likvide plasseringer.

Note 2 - Driftsinntekter

Selskapets inntekter knytter seg til utleie av personell til, samt vedlikehold for operasjon av boreanlegg.

Personell er hovedsakelig utleid i Nordsjøen.

Note 3 - Nærstående transaksjoner - Inntekt fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser.

Beskrivelse nærstående	Type transaksjon	2022	2021
OT Ltd Group - konsernselskap	Utleie personell offshore	8 918	3 310
OD Ltd Group - nærstående part	Utleie personell offshore	0	754
Sum		8 918	4 064

For kjøp/kostnad fra nærstående parter, se note 7.

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).

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Odfjell Operations AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 4 - Lønnskostnader, antall ansatte, lån til ansatte og godtgjørelse til revisor

Beløp vises i tusen kr

Lønnskostnader	2022	2021
Lønninger	507 958	483 992
Arbeidsgiveravgift	77 877	73 055
Pensjonskostnader, se note 5	34 526	34 209
Andre ytelser	27 008	31 724
Innleie	143 748	135 669
Sum	791 117	758 649

Selskapet har i regnskapsåret sysselsatt totalt 525 årsverk.

Daglig leder er innleid som en del av managementtjenester fra Odfjell Platform Drilling AS. Kostnaden er inkludert i management fee.

Det er ikke gitt ytelser til styret for inneværende år.

Det er ikke ytet lån eller stilt garantier til daglig leder, styreleder eller andre personlige nærstående parter.

Godtgjørelse til revisor er fordelt på følgende:	2022	2021
Lovpålagt revisjon	130	159
Andre attestasjonstjenester	0	30

Merverdiavgift er ikke inkludert i revisjonshonoraret.

Note 5 - Pensjoner

Beløp vises i tusen kr

Selskapet er pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon.

Selskapets pensjonsordninger tilfredsstiller kravene i denne lov.

Selskapet har en kollektiv innskuddsordning som omfatter 467 personer pr. 31.12.2022 (473 personer pr. 31.12.2021). Kostnad knyttet til innskuddspensjon utgjorde kr 21 millioner for regnskapsåret 2022.

Selskapet har en usikret forpliktelse knyttet til gavepensjon på inntil 1G årlig i perioden 62-67 år ved fratredelse av stilling. Kostnad knyttet til denne ytelsesordningen fremkommer av tabellen nedenfor.

Selskapet er medlem av den nye AFP-ordningen. AFP-ordningen er en ordning som gir livslangt tillegg på den ordinære pensjonen. De ansatte kan velge å ta ut den nye AFP-ordningen fra og med fylte 62 år. Den nye AFP-ordningen er en ytelsesbasert flerforetakspensjonsordning og finansieres gjennom premier som fastsettes som en prosent av lønn. Foreløpig foreligger ingen pålitelig måling og allokering av forpliktelse og midler i ordningen. Regnskapsmessig blir ordningen behandlet som en innskuddsbasert pensjonsordning hvor premiebetalingen kostnadsføres løpende, og ingen avsetning foretas i regnskapet.

I 2022 utgjorde premien 2,6 % av lønn mellom 1G og 7,1G. Premiesatsen vil uendret i 2023.



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Noter til regnskapet for 2022

Beløp vises i tusen kr

	2022	2021
Nåverdi av årets pensjonsopptjening	3 042	1 748
Rentekostnad av pensjonsforpliktelsen	227	281
Resultatført estimatavvik	582	1 036
Arbeidsgiveravgift	461	286
Netto pensjonskostnad ytelsesordninger	4 312	3 351
Kostnad innskuddspensjon	21 721	21 159
Kostnad flerforetaksordning bokført som innskuddsbasert (AFP)	8 494	9 698
Netto pensjonskostnad ytelsesordninger	34 526	34 209
	2022	2021
Opptjente pensjonsforpliktelser	15 862	15 537
Beregnete pensjonsforpliktelser	15 862	15 537
Ikke resultatført virkning av estimatavvik	-4 942	-7 436
Arbeidsgiveravgift	2 237	2 191
Estimatavvik AGA	-697	0
Netto pensjonsforpliktelse	12 460	10 292

Pensjonsforpliktelsen gjelder i sin helhet gavepensjon som er en usikret ordning.

<i>Økonomiske forutsetninger:</i>	2022	2021
Diskonteringsrente	3,20%	1,50%
Forventet lønnsregulering	3,75%	2,50%
Forventet pensjonsregulering	3,50%	2,25%
Forventet G-regulering	3,50%	2,25%

De aktuarmessige forutsetningene er basert på vanlige benyttede forutsetninger innen forsikring når det gjelder demografiske faktorer.

Note 6 - Driftskostnader

Beløp vises i tusen kr

	2022	2021
Innleid utstyr og tjenester	68 254	55 760
Vedlikehold, reparasjon og inspeksjon av utstyr	24 328	21 115
Diverse verktøy og reservedeler	46 125	43 146
Kurs og reiseutgifter	19 123	17 428
Annen driftskostnad	24 788	27 644
Sum	182 617	165 093



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Odfjell Operations AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 7 - Nærstående transaksjoner - kjøp/kostnad fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser.

Beskrivelse nærstående part	Type transaksjon	2022	2021
OT Ltd Group - konsernselskap	Management tjenester	98 765	81 079
OT Ltd Group - konsernselskap	Leie personell offshore	20 628	18 297
OT Ltd Group - konsernselskap	Leie utstyr	63 787	53 856
OT Ltd Group - konsernselskap	Leie personell og utstyr	8 741	7 123
OD Ltd Group - nærstående part	Management tjenester	7 931	24 491
OD Ltd Group - nærstående part	Leie personell offshore	337	2 169
Sum		200 189	187 015

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).

Note 8 - Finansinntekter og kostnader

Beløp vises i tusen kr

Finansinntekter

	2022	2021
Renteinntekter	2 392	32
Netto valutagevinst	564	0
Sum finansinntekter	2 956	32

Finanskostnader

	2022	2021
Rentekostnader	-1 250	-527
Netto valutatap	0	-294
Andre finanskostnader	-34	-12
Sum finanskostnader	-1 284	-833



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Odfjell Operations AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 9 - Skatt

Beløp vises i tusen kr

<i>Årets skattekostnad fordeler seg på:</i>	2022	2021
Betalbar skatt	13 284	8 359
Endring utsatt skatt	-204	238
Årets totale skattekostnad	<u>13 080</u>	<u>8 597</u>
<i>Beregning av årets skattegrunnlag:</i>	2022	2021
Ordinært resultat før skattekostnad	59 455	39 078
Endring i midlertidige forskjeller	927	-1 083
Alminnelig inntekt	<u>60 382</u>	<u>37 995</u>
Ytet konsernbidrag	<u>-60 382</u>	<u>-37 994</u>
Årets skattegrunnlag	<u>0</u>	<u>0</u>
Betalbar skatt (22%) av årets skattegrunnlag	0	0
<i>Oversikt over midlertidige forskjeller</i>	2022	2021
Driftsmidler inkl goodwill	-4 998	-6 248
Gevinst- og tapskonto	35	43
Netto pensjonsforpliktelse som er ført i balansen	<u>-12 460</u>	<u>-10 292</u>
Netto midlertidige forskjeller pr 31.12	<u>-17 423</u>	<u>-16 496</u>
Utsatt skattefordel/Utsatt skatt (22%)	-3 833	-3 629
<i>Oversikt over endringer i midlertidige forskjeller som påvirker skattbart resultat</i>	2022	2021
Driftsmidler inkl goodwill	-1 250	-1 562
Gevinst- og tapskonto	9	11
Netto pensjonsforpliktelse som er ført i balanse	<u>2 168</u>	<u>468</u>
Sum endring i midl. forskjeller som påvirker skattegrunnlaget	<u>927</u>	<u>-1 083</u>



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Odfjell Operations AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 10 - Egenkapital

Beløp vises i tusen kr

	Aksjekapital	Annen innskutt egenkapital	Annen egenkapital	Sum
Egenkapital 01.01.2022	21 402	49 784	41 040	112 226
Årsresultat	0	0	46 375	46 375
Avsatt utbytte	0	-9 682	-40 318	-50 000
Avgitt konsernbidrag	0	0	-47 098	-47 098
Egenkapital 31.12.2022	21 402	40 101	0	61 503

Selskapet har avgitt konsernbidrag med skattefradrag til søsterselskap Odfjell Offshore Ltd, samt utbytte til morselskap Odfjell Platform Drilling AS.

Note 11 - Kundefordringer, andre kortsiktige fordringer og kortsiktig gjeld

Beløp vises i tusen kr

<i>Kundefordringer</i>	2022	2021
Kundefordringer - eksternt, brutto beløp	165 864	157 384
Avsetning tap på fordringer	0	0
Kundefordringer - konsern, se note 13	3 249	427
	<u>169 112</u>	<u>157 811</u>
<i>Andre kortsiktige fordringer</i>	2022	2021
Andre fordringer på konsern selskap, se note 13	2 432	0
Andre kortsiktige fordringer - forskuddsbetalinger m.m.	7 715	7 421
Tilgode mva	7 681	9 994
	<u>17 827</u>	<u>17 415</u>
<i>Leverandørgjeld</i>	2022	2021
Leverandørgjeld - eksternt	-34 741	-33 191
Leverandørgjeld - konsern, se note 13	-28 850	-19 004
	<u>-63 591</u>	<u>-52 195</u>
<i>Kortsiktig gjeld</i>	2022	2021
Gjeld til selskap i samme konsern, se note 13	-125 803	-27 242
Påløpt lønn, overtid m.m.	-94 975	-88 212
Andre påløpte kostnader	-12 479	-15 530
	<u>-233 256</u>	<u>-130 984</u>
<i>Kortsiktig gjeld - relatert til langsiktig forpliktelse</i>	2022	2021
Uopptjent inntekt	-24 199	0
Utsatt inntekt knyttet til periodisk vedlikehold (langsiktig gjeld), se note 16	-4 723	-26 004
	<u>-28 923</u>	<u>-26 004</u>

Inntekt knyttet til periodisk vedlikehold og overhaling av utstyr mot Equinor og ConocoPhillips. Inntekten tas når vedlikeholdet og overhalingen utføres.

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Odfjell Operations AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 12 - Konsernkontoordning

Beløp vises i tusen kr

Selskapets driftkontoer inngår pr 31.12.2022 i konsernkontoordning hvor Odfjell Technology Ltd er konsernkontoeier og således eier av bankmidlene. Konsernkontosystemet er opprettet for å bidra til en optimal likviditetsstyring i Odfjell Technology Ltd konsernet. Selskapet har solidaransvar for innskudd i konsernkontoordning, og har ikke separatistrettighet for midler som inngår i konsernkontoordningen.

Netto innestående på konsernkontoordningen er klassifisert som annen kortsiktig fordring i balansen.

<i>Oversikt konsernkontoordning</i>	2022	2021
NOK	143 783	186 368
USD	3 474	-12 549
GBP	579	223
EUR	728	-2 334
Sum fordring konsernkontoordning	<u>148 564</u>	<u>171 708</u>

Note 13 - Mellomværende med selskap i samme konsern m.v

Beløp vises i tusen kr

Fordringer og gjeld mellom konsernselskaper (samme konsern) og konsernselskaper (nærstående konsern) knytter seg til den løpende drift og konsernbidrag. Konsernmellomværende er gjengitt på egne linjer i balansen.

<i>Kortsiktige driftsrelaterte fordringer</i>	2022	2021
OT Ltd Group - konsernselskap	5 680	367
OD Ltd Group - nærstående part		60
Sum driftsrelaterte fordringer	<u>5 680</u>	<u>427</u>

<i>Kortiktig driftsrelatert gjeld</i>	2022	2021
OT Ltd Group - konsernselskap	-42 874	-32 190
OD Ltd Group - nærstående part	-1 398	-5 459
Sum driftsrelatert gjeld	<u>-44 271</u>	<u>-37 649</u>

<i>Konsernbidrag og utbytte</i>	2022	2021
Avgitt konsernbidrag - Odfjell Platform Drilling AS	0	-306
Avgitt konsernbidrag - Odfjell Technology AS	0	-8 292
Avgitt konsernbidrag - Odfjell Offshore Ltd	-60 382	0
Avgitt utbytte - Odfjell Platform Drilling AS	-50 000	0
	<u>-110 382</u>	<u>-8 597</u>

Konsernets kortsiktige mellomværende forfaller til betaling innen ett år etter regnskapsårets utgang.

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).



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Odfjell Operations AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 14 - Bankinnskudd

Beløp vises i tusen kr

	2022
Bundne skattetrekksmidler utgjør	25 531

Note 15 - Aksjekapital og aksjonærinformasjon

Beløp vises i tusen kr

Aksjekapitalen består av:

	Antall	Pålydende	Balanseført
Ordinære aksjer	21 402	1 000	21 402

Alle aksjer i selskapet tilhører samme aksjeklasse, og har like stemmerettigheter.

Oversikt over aksjonærene i selskapet pr. 31.12:

	Ordinære aksjer	Eierandel	Stemmeandel
Odfjell Platform Drilling AS	21 402	100 %	100 %

Note 16 - Uopptjent inntekt

Beløp vises i tusen kr

	2022	2021
Relatert til uopptjent inntekt, se note 11 (kortsiktig)	-24 199	0
Utsatt inntekt knyttet til periodisk vedlikehold	-4 723	-26 004
Sum	<u>-28 923</u>	<u>-26 004</u>

Inntekt knyttet til periodisk vedlikehold og overhaling av utstyr mot Equinor og ConocoPhillips. Inntekten tas når vedlikeholdet og overhalingen utføres. Uopptjent inntekt knyttet til periodisk vedlikehold er avsatt som kortsiktig gjeld - se note 11.

Note 17 - Pant og garantier

Beløp vises i tusen kr

Konsernet Odfjell Technology har fellesregistrering knyttet til merverdiavgift for konsernets avgiftsregistrerte foretak. Selskapet inngår i denne fellesregistreringen og er således solidarisk ansvarlig for skyldig merverdiavgift i Norge.



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Til generalforsamlingen i Odfjell Operations AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert årsregnskapet for Odfjell Operations AS som består av balanse per 31. desember 2022, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2022, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarter) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen og annen øvrig informasjon som er publisert sammen med årsregnskapet. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker verken informasjonen i årsberetningen eller annen øvrig informasjon.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen og annen øvrig informasjon. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen, annen øvrig informasjon og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen og annen øvrig informasjon ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen eller annen øvrig informasjon fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Offices in:

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodø	Knaresund	Stord	Ålesund
Drammen	Kristiansand	Straume	

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Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av intern kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimaterne og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifierer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.

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Bergen, 04. mai 2023
KPMG AS

Ståle Christensen
Statsautorisert revisor
(elektronisk signert)

Penneo document key: WKT8H-XLY8O-58SSM-GWVTQ-01ZGX-0VY1A



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Ståle Christensen

Partner

På vegne av: KPMG AS

Serienummer: 9578-5999-4-1660746

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Appendix 14 – Financial statements for Odfjell Technology (UK) Ltd as of and for the financial years ended 31 December 2023 and 31 December 2022

Registered number: SC232018 (Scotland)

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
ODFJELL TECHNOLOGY (UK) Ltd.**

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COMPANY INFORMATION

DIRECTORS: S Lieungh
S Sutherland (appointed 17 March 2023)
P Ireland (resigned 17 March 2023)
D Stephen

SECRETARY: G Basson

REGISTERED OFFICE: Lower Ground Floor
Prime View
Prime Four Business Park
Kingswells, Aberdeen
AB15 8PU

REGISTERED NUMBER: SC232018

INDEPENDENT AUDITORS: Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

SOLICITORS: Burness Paull LLP
2 Marischal Square
Broad Street
Aberdeen
AB10 1DQ

BANKERS: Den Norske Bank ASA
The Walbrook
25 Walbrook
London
EC4N 8AF

STRATEGIC REPORT

REVIEW OF BUSINESS

Odfjell Technology (UK) Ltd. (the Company) consists of three main service areas: operations, project and engineering, and rig inspection. In addition, support functions for all UK activities in the Odfjell Technology group (the Group) operate out of the Company. During 2023 the Company continued to operate long-term contracts for drilling operations services for a number of Oil & Gas Operators in the North Sea. Our projects and engineering and rig inspection services provide support to a number of clients in the UK as well as internal support to the Group.

KEY PERFORMANCE INDICATORS (KPIs)

- During the year the average technical rig uptime on the platforms supported by the Company was 97.8% (2022: 97.5%).
- The turnover during the year increased by 10.5% on 2022 (2022: 37.4%).
- Average sick leave during the year decreased to 1.9% (2022: 2.7%).

The business continues to deliver operations to a high standard as indicated by rig uptime and continues to focus on costs and efficiency to remain competitive in the market.

The profit for the year and the financial position of the Company are shown in these financial statements. 2023 reflected increased operational activity with an increase in crews offshore as some assets went from maintenance to operational mode. In addition, there was a significant increase in activity in engineering and rig inspection services, albeit this area of growth is at lower margin percentage. The overall result is a drop in gross margin % to 15.9% (2022:16.8%). Overheads have increased as we position the business for growth and move into new premises. 2023 saw foreign exchange losses as opposed to gains last year and interest received saw a significant increase on last year. Overall, the net result was a small reduction in net profit of £283k compared to 2022.

SECTION 172 STATEMENT

Section 172 of the Companies Act 2006 requires a Director of a company to act in a way they consider, and in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. In doing this, section 172 requires a Director to have regard, among other matters, to:

- a) The likely consequence of any decision in the long term;
- b) The interests of the company's employees;
- c) The need to foster the company's business relationships with suppliers, clients and others;
- d) The impact of the company's operations on the community and the environment;
- e) The desirability of the company maintaining a reputation for high standards of business conduct; and
- f) The need to act fairly between different members of the company.

During the 2023 financial year, the Directors have given careful consideration to the factors set out above in discharging their duties under section 172. Some examples of where the Board has taken account of matters a) to f) are summarised below.

The likely consequence of any decision in the long term

The Board of Directors of the Company operate the Company in accordance with the Company's Articles and the overall Group strategy, which considers the long terms success of the Company and the Group as a whole, and the likely long term consequences of any decisions are taken into account.

The interests of the company's employees

The employees of the Company are a valued resource, and we strive to create a safe, healthy, diverse, and inclusive working environment for all. The Company is committed to equal opportunities for all and a workplace free from harassment and discrimination. The Company selects, recruits, employs, and promotes staff based on the abilities of the individual regardless of sex, age, race, disability, ethnic origin or religion. Within the Group, engagement with employees is considered at an organisation wide level. Employee engagement is on a continual basis, with news being shared frequently via a Group intranet system. Several employee engagement methods are in place within the Group including an annual employee survey, frequent town hall sessions, structured communication channels with employee representatives and unions and whistleblowing facilities to anonymously report concerns if required. Financial results are shared with employees through these communication channels and discussed at town halls and in intranet publications, along with market and economic updates, encouraging the involvement of employees in the Group's performance.

STRATEGIC REPORT (CONTINUED)

SECTION 172 STATEMENT (CONTINUED)

The need to foster the company's business relationships with suppliers, clients and others

The Company relies on its suppliers to provide quality goods and services on time, to maintain the highest standards of operations, safety and reliability in meeting the needs of its clients. Supplier relationships in the Group are managed under the "Become a Supplier" procedures, which apply to all subsidiary companies. The Company is committed to having professional and ethical relationships with its suppliers and clients. There is regular communication with clients through both formal and informal channels. Business and contract reviews are carried out to ensure client relations remain positive or that any issues can be raised and dealt with. Additionally, specific client alliance arrangements are in place to enhance collaboration.

The impact of the company's operations on the community and the environment

Engagement on environmental and community matters is primarily considered at a Group level and details can be found in the Odfjell Technology Ltd Sustainability Statement. The Company nominates a charity to benefit from fundraising events during the year. The Company works on identifying and implementing regional solutions for waste reduction, increasing energy efficiency, and reducing emissions, and supports our clients to do the same.

The desirability of the company maintaining a reputation for high standards of business conduct

Maintaining a reputation for, and upholding high standards of business conduct, is considered vital to the success of the Group and the Company. Ethical Principles apply Group wide and are supported by a detailed Code of Business Conduct. At a regional/Company level, particular attention has been given to the training of employees on the business conduct standards expected, especially with regards to the induction of new employees. Employees are required to complete annual declarations regarding their compliance with the Code of Business Conduct. Suppliers are required to sign the Supplier Code of Conduct, which defines the basic requirements for suppliers concerning their responsibilities to maintain high ethical standards and adhere to all applicable laws.

The need to act fairly between different members of the Company

The Company has a single member (Odfjell Platform Drilling AS) and is a wholly owned subsidiary in the Group which has the ultimate parent company Odfjell Technology Ltd.

STATEMENT OF PRINCIPAL RISKS AND UNCERTAINTIES

The Board has identified the following factors as principal potential risks to the Company's successful operation:

Operational risks

Odfjell Technology (UK) Ltd. provides drilling, maintenance, engineering and inspections services for the cyclical oil and gas industry. Activity levels in connection with oil and gas exploration and production fluctuate with a main driver being the level of oil and gas prices. The Company endeavours to reduce this risk by securing long-term contracts with reputable clients.

Commercial risks

Contracts in the offshore sector require high safety standards. It is important to note that all offshore contracts are associated with considerable risk and responsibilities, including technical, operational, commercial and political risks. The Company has insurance coverage deemed adequate in order to limit the above risks. In addition, credit risk is minimal as contracts are held with major international oil companies.

Climate risk and energy transition

Climate change will have an impact on all of us in the future. The transition in the energy market towards renewable energy creates some uncertainty over the demand for oil and gas, but also opportunities. The Company continues to support the transition and look at diversification opportunities as well as supporting plug and abandonment activities.

ON BEHALF OF THE BOARD



D Stephen – Director

Date: 25 July 2024

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The principal activity of the Company in the year was that of the provision of drilling operations, projects and engineering and inspection services to the offshore oil and gas industry.

FUTURE DEVELOPMENTS

The Company holds long term contracts for platform drilling services for several different clients and the market for platform drilling activities has traditionally been stable for over a long period with positive developments in recent years as the countries look to secure energy supply. In addition, Engineering and Rig Inspection Services have seen a period of growth and see an increase in demand going forward as they build on competency and capacity in this area.

The shift in energy supply towards renewable sources has created discussion about energy composition for the future. This is being taken into account in determining the future strategy for the Company and the Group. We will use our competency and experience to provide support to decommissioning, particularly plug and abandonment, and to new energy solutions. We will consider diversification opportunities for value creation, building on our solid foundation. Our ambition is to use our integrated services model to deliver a complete offering to the industry which will support sustainable solutions and further improve our service portfolio towards sectors such as renewable energy and marine.

DIVIDENDS

No dividend was distributed for the year ended 31 December 2023 (2022: nil) and no dividends have been recommended.

DISABLED EMPLOYEES

The Company's policy is to recruit disabled workers for those positions that they are able to fill. Arrangements are made, wherever possible, for re-training employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

EMPLOYEE INVOLVEMENT

The Company's policy is to consult and discuss with employees matters likely to affect employees' interests. An annual onshore global employee work environment survey is carried out at a group level. This provides valuable information about the working conditions in the organisation and is an important tool for promoting, developing and securing a positive work environment. Town halls are held to communicate Company information to onshore staff.

DIRECTORS

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

S Lieungh
P Ireland (resigned 17 March 2023)
S Sutherland (appointed 17 March 2023)
D Stephen

GOING CONCERN

Taking all relevant risk factors and available options for financing into consideration, including subsequent events, the directors have a reasonable expectation that the Company has adequate resources to continue its operational existence for at least 12 months from the date of approval of the financial statements.

FINANCIAL RISK MANAGEMENT

The Company's operations expose it to a variety of financial risks that include credit risk and liquidity risk. The Company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company by monitoring levels of debt finance and the related finance costs.

REPORT OF THE DIRECTORS (CONTINUED)**CREDIT RISK**

Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to clients, including outstanding receivables and committed transactions and amounts due from related parties. For banks and institutions, mainly independently rated parties with a minimum of 'A' are used. If clients are independently rated, these ratings are used. If there is no independent rating, risk control assesses the credit quality of the client, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal and external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and availability of funding through an adequate amount of credit facilities. The Company maintains flexibility in funding by keeping adequate cash balances generated from its operations.

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

In line with the "Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance", the Company's UK energy consumption and Greenhouse Gas emissions, (being CO₂) that arise from its purchase of electricity, gas and transport are presented below. The key metrics are presented for both the reporting year and the prior year and are primarily driven by the use of utilities at the Company premises, which include office buildings, workshop, warehouse and yard, as well as the consumption of fuel for business travel and diesel for forklifts.

	Unit	2023	2022
Energy Consumption			
Electricity	kWh	389,907	397,515
Gas	kWh	813,323	777,601
Transport	Miles	32,141	29,428
Forklift diesel	Litres	7,880	8,375
Emissions			
Electricity	tCO ₂ e	78.2	80.4
Gas	tCO ₂ e	148.46	142.2
Transport	tCO ₂ e	21.9	29.9
Forklift diesel	tCO ₂ e	21.1	22.7
Total Emissions	tCO₂e	269.7	275.2
Intensity Ratio	tCO ₂ e per £M Turnover	3.7	4.1

The emissions have reduced in all categories except gas and in terms of the intensity ratio we see a 10% drop year on year.

Boundaries

Electricity and gas consumption reported is in relation to our base at Crawpeel Road in Aberdeen. It does not include the rental of warehouses where utilities are included in the rent, as opposed to being contracted for and monitored by the Company. Although charges are made to another group entity that shares occupation of the premises, we have reported total consumption on the premises before any reallocations. Figures do not include usage at new office premises at Prime View, Prime Four Business Park because full occupancy did not happen until towards the end of the year and data is not available.

REPORT OF THE DIRECTORS (CONTINUED)

Methodology used

The 2023 government conversion factors for company reporting of greenhouse gas emissions, as published by the Department for Business, Energy & Industrial Strategy, were used to convert consumption in the year into metric tons of carbon dioxide equivalents (tCO₂e).

The gas conversion calculation is based on gross calorific values for natural gas. kWh consumption is based on actual meter readings as stated on utility invoices rather than estimates. For travel, the miles claimed by employees for the use of private vehicles for business travel are extracted from the financial system and payroll. Miles travelled are converted using the rate for a medium car. There are no company cars provided or other company owned vehicles operated. Fuel associated with the transportation of goods subcontracted to a third party are calculated by estimating the mileage per trip and using conversion tables to arrive at CO₂ emissions. Fuel for flights and other staff transportation not operated by the Company is excluded.

The most relevant intensity ratio for the company is tCO₂e per £M turnover. This will allow meaningful comparatives as it will take into account changes in activity levels and as demonstrated in the table above this has reduced year on year.

Energy Efficiency action

Over the years the Company has taken a number of actions to reduce energy consumption and waste such as:

- Replacement of light fittings with LED lights
- Installation of passive infra red light sensors in bathrooms
- Communications to staff to remind them to switch off lights and monitors, backed up by security ensuring all lights switched off
- Recycling of kitchen oil waste
- Replaced recycling bins with new more visible bins that provide for more segregation of waste
- Replacing disposable cups with ceramic
- Introduction of an electric forklift to the fleet
- Replacement of two boilers with more efficient units with weather compensated system control
- Relocation of spares to minimise travel costs incurred in driving between sites
- Encouraged only business essential travel and maximising use of communication by Teams
- Flexible working, allowing employees to work part of the week from home, reducing energy consumption in the office and reducing home to work travel
- Introduced tracking of third party road transportation mileage and emissions tracking to reduce emissions through consolidation of transport

In 2019, the company underwent an Energy Savings Opportunity Scheme (ESOS) audit and the company will be audited again in 2024. We continue to hold our ISO14001:2015 accreditation and comply with the required standards. We had no government reportable environmental incidents in 2023 and during the year only 4% of our waste disposed of went to landfill – our desired target is 0%. The only thing now sent to landfill are hoses beyond economical repair.

The Company participates in ongoing Group initiatives to reduce carbon emissions and manage our waste disposal. There is a Group wide database to capture global waste information.

REPORT OF THE DIRECTORS (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

DIRECTOR'S CONFIRMATIONS

In the case of each director in office at the date the Report of the Directors is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

INDEPENDENT AUDITORS

Crowe U.K. LLP were appointed as independent auditors during the year.

ON BEHALF OF THE BOARD:



D Stephen - Director

Date: 25 July 2024

Independent Auditor's Report to the Members of Odfjell Technology (UK) Ltd

Opinion

We have audited the financial statements of Odfjell Technology (UK) Ltd for the year ended 31 December 2023 which comprise the profit and loss account, balance sheet, and statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

Independent Auditor's Report to the Members of Odfjell Technology (UK) Ltd

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and the procedures in place for ensuring compliance. These included the Companies Act 2006, and United Kingdom Generally Accepted Accounting Practice.
- As part of our audit planning process, we assessed the different areas of the financial statements, including disclosures, for the risk of material misstatement. This included considering the risk of fraud where direct enquiries were made with management and those charged with governance concerning both whether they had any knowledge of any actual or suspected fraud and their assessment of the susceptibility to fraud. We considered the risk to be greater in areas involving significant management estimation or judgement. Based on this assessment we designed audit procedures to focus on these specific areas.
- We tested the appropriateness of journal entries throughout the year by vouching a risk-based sample of journals to supporting documentation and explanations.
- A detailed review of the Company's year end adjusting entries was performed. Any items that appeared unusual in nature or amount were vouched to supporting documentation.

Independent Auditor's Report to the Members of Odfjell Technology (UK) Ltd

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



John Charlton
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London, U.K.

Date: 25 July 2024

Financial statements for the year ended 31 December 2023**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 £000	2022 £000
TURNOVER	4	73,705	66,689
Cost of sales		<u>(61,996)</u>	<u>(55,487)</u>
GROSS PROFIT		11,709	11,202
Administrative expenses		(6,588)	(5,878)
Other operating (expense) / income		<u>(21)</u>	<u>678</u>
OPERATING PROFIT	6	5,100	6,002
Interest receivable and similar income	7	885	226
Interest payable and similar expenses	8	<u>(40)</u>	<u>(3)</u>
PROFIT BEFORE TAXATION		5,945	6,225
Tax on profit	9	<u>(117)</u>	<u>(114)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>5,828</u></u>	<u><u>6,111</u></u>

All items dealt with in arriving at the profit for the years stated above relate to continuing operations.

There are no other items of comprehensive income in either year other than those shown above.

Financial statements for the year ended 31 December 2023**BALANCE SHEET AS AT 31 DECEMBER 2023**

	Note	2023		2022	
		£000	£000	£000	£000
FIXED ASSETS					
Tangible assets	10		599		88
CURRENT ASSETS					
Debtors	11	22,229		23,731	
Cash at bank and in hand		<u>26,051</u>		<u>15,082</u>	
		48,280		38,813	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	12	<u>15,328</u>		<u>12,176</u>	
NET CURRENT ASSETS			<u>32,952</u>		<u>26,637</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			33,551		26,725
CREDITORS					
Amounts falling due after more than one year	13		<u>3,796</u>		<u>2,798</u>
NET ASSETS			<u>29,755</u>		<u>23,927</u>
CAPITAL AND RESERVES					
Called up share capital	14		5,200		5,200
Profit and loss account			<u>24,555</u>		<u>18,727</u>
TOTAL SHAREHOLDERS' FUNDS			<u>29,755</u>		<u>23,927</u>

The financial statements on pages 13 to 26 were approved by the Board of Directors on 28 May 2024 and signed on its behalf on 25 July 2024 by:



 D Stephen – Director

Reg No SC232018 (Scotland)

Financial statements for the year ended 31 December 2023

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Called up share capital	Profit and loss account	Total Shareholders' funds
	£000	£000	£000
Balance as at 1 January 2022	5,200	12,616	17,816
Profit for the financial year and total comprehensive income	-	6,111	6,111
Balance as at 31 December 2022	<u>5,200</u>	<u>18,727</u>	<u>23,927</u>
Profit for the financial year and total comprehensive income	-	5,828	5,828
Balance as at 31 December 2023	<u><u>5,200</u></u>	<u><u>24,555</u></u>	<u><u>29,755</u></u>

Financial statements for the year ended 31 December 2023

Notes to the Financial Statements

1. GENERAL INFORMATION

Odfjell Technology (UK) Ltd. is a private company limited by shares and is incorporated in Scotland and domiciled in the UK. The address of its registered office is Prime View, Prime Four Business Park, Kingswells, Aberdeen, AB15 8PU.

2. STATEMENT OF COMPLIANCE

The individual financial statements of Odfjell Technology (UK) Ltd. have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006, (Accounts and Reports) Regulations 2008 (SI 2008/410). The reduced disclosure framework set out in FRS 102 was applied.

3. ACCOUNTING POLICIES

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity to FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed separately.

Going Concern

The financial statements have been prepared on the basis of the going concern assumption and the Directors have confirmed that this was realistic at the time the financial statements were approved. Taking all relevant risk factors and from a review of forecasts, the Board has a reasonable expectation that the Company has adequate resources to continue its operational existence for at least 12 months from the date of approval of the financial statements. Hence, the Company has adopted the going concern basis in preparing its financial statements.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to conditions.

The Company has taken advantage of the following exemptions in its individual financial statements:-

- i. from preparing a statement of cash flows, on the basis that it is a qualifying entity;
- ii. from the financial instrument disclosures, required under FRS 102 paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(ii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A, as the information is provided in the consolidated financial statement disclosures;
- iii. from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

Foreign currencies

The functional and reporting currency of the Company is the British Pound rounded to the nearest thousand unless stated otherwise. In preparing the financial statements, transactions in currencies other than the Company's reporting currency (foreign currencies), are recorded at the rates of exchange prevailing at the dates of the transactions.

Financial statements for the year ended 31 December 2023

Notes to the Financial Statements

3. ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the year in which they arise.

Tangible fixed assets

Tangible fixed assets are presented at their original cost, net of accumulated depreciation and impairment (if any) and include expenditures incurred associated with the acquisition of the asset and in bringing it to a condition where it is ready for its intended use.

The Company depreciates property, plant and equipment using the following depreciation rates:

Tenancy improvements and equipment	11.3% to 33 % on straight line basis
Fixtures and fittings	25 % to 33% on straight line basis
Computer equipment	25 % to 50 % on straight line basis

Revenue recognition

Revenues are measured at the fair value of the consideration received or receivable. Revenues are shown net of VAT and discounts. Incentive payments are included in revenue when it is probable that the specified performance standards will be met, and the amount of the incentive payment can be measured reliably.

The Company recognises revenue at the time of delivery, which represents the point at which the significant risks and rewards of ownership are transferred to the client, and when collection of the resulting consideration for those goods is reasonably assured. Turnover from services is recognised as the services are rendered including income based on day rates from drilling contracts and day/hour rates on other service contracts.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Income taxes

The income tax expense represents the sum of tax currently payable and deferred income tax.

Current tax

Tax currently payable is based on taxable income for the year. Taxable income differs from net profit as reported in the profit and loss account as it excludes income or expense items that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates in effect at the balance sheet date.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements, and the corresponding tax base used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if a temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable profit nor accounting profit.

Financial statements for the year ended 31 December 2023

Notes to the Financial Statements

3. ACCOUNTING POLICIES (Continued)

Deferred tax (Continued)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered.

A deferred tax asset or liability is calculated at tax rates that are expected to apply in the year when the liability is settled, or the asset realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised on the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

Pensions

The Company operates a defined contribution pension scheme provided and managed by an external service provider. Contributions payable for the year are charged in the profit and loss account.

Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amounts of the obligations. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate of management.

Impairment excluding deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Financial statements for the year ended 31 December 2023

Notes to the Financial Statements

3. ACCOUNTING POLICIES (Continued)

Impairment excluding deferred tax assets (continued)

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use, that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or CGU).

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial instruments

Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are recognised as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Critical accounting estimates and judgements

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 critical accounting estimates and judgements applied are:

Financial statements for the year ended 31 December 2023

Notes to the Financial Statements

3. ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements (continued)

Contingencies

The Company may from time to time be subject to various legal proceedings, disputes and claims including regulatory discussions related to the Company's business, investments etc., of which the outcomes are subject to significant uncertainty. Management applies significant judgement when evaluating the degree of probability of an unfavourable outcome and the ability to make a reasonable estimate of the amount of loss. Unanticipated events or changes in these factors may require the Company to accrue for a matter that has not been previously accrued for because it was not considered probable, or a reasonable estimate could not be made, or increase or decrease an amount accrued for a matter in previous reporting periods.

4. TURNOVER

The turnover and profit before taxation are attributable to the principal activity of the Company, the supply of drilling related and engineering and inspection services to the offshore industry. All the turnover originated in the United Kingdom and an analysis of turnover by destination is given below:

	2023 £000	2022 £000
United Kingdom	73,091	65,448
Kuwait	325	1,071
Norway	289	170
	<u>73,705</u>	<u>66,689</u>

5. STAFF COSTS

	2023 £000	2022 £000
Wages and salaries	36,989	31,184
Social security costs	4,409	3,919
Other pension costs	1,504	1,346
	<u>42,902</u>	<u>36,449</u>
Directors' emoluments		
	2023 £000	2022 £000
Aggregate emoluments	<u>212</u>	<u>207</u>

Financial statements for the year ended 31 December 2023

Notes to the Financial Statements

5. STAFF COSTS (Continued)

Highest paid director:

	2023 £000	2022 £000
Director's emoluments	171	148
Company Contribution to pension scheme	<u>5</u>	<u>5</u>
	<u><u>176</u></u>	<u><u>153</u></u>

Not all the directors are employed by the company, and as the company does not receive any charges for these directors, the amounts above relate only to those directors employed by the company for the period they are a director.

The average monthly number of employees during the year was as follows:

	2023 Number	2022 Number
Direct	<u>430</u>	<u>392</u>
Administration	<u>34</u>	<u>31</u>

At 31 December 2023 £369,688 (2022: £285,491) was outstanding in respect of pension contributions due by the Company.

6. OPERATING PROFIT

The operating profit is stated after charging / (crediting):

	2023 £000	2022 £000
Operating lease rental - building and yard	725	564
Depreciation of owned assets	51	91
Auditors' remuneration - audit of the financial statements	10	7
Other fees to auditors - taxation advisory services	-	(19)
Foreign exchange differences	26	(674)

The auditors' remuneration was paid to the predecessor auditor KPMG. There have not been any non-audit fees from the auditor for the year ended 31 December 2023.

Financial statements for the year ended 31 December 2023

Notes to the Financial Statements

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2023 £000	2022 £000
Bank interest	885	226
	<u>885</u>	<u>226</u>

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2023 £000	2022 £000
Bank interest	40	3
	<u>40</u>	<u>3</u>

9. TAX ON PROFIT

a) Tax on profit

The tax charge is made up as follows:

Current tax:

UK corporation tax @ 23.5% (2022: 19%)

Foreign Tax

Adjustments to tax charge in respect of previous year

Total current tax

Deferred tax:

Origination and reversal of timing differences

Total deferred tax

Tax charge on profit

	2023 £000	2022 £000
	-	-
	16	67
	<u>-</u>	<u>46</u>
	16	113
	101	1
	<u>101</u>	<u>1</u>
	117	114

Financial statements for the year ended 31 December 2023

Notes to the Financial Statements

9. TAX ON PROFIT (Continued)

b) Factors affecting the total tax charge

The tax assessed for the year differs (2022: differs) from the standard rate of corporation tax in the UK. The difference is explained below:

	2023 £000	2022 £000
Profit before taxation	5,945	6,225
Profit multiplied by the standard rate of corporation tax in the UK of 23.50% (2022: 19%)	1,397	1,183
<i>Effects of:</i>		
Expenses not deductible for tax purposes	16	15
Deferred tax assets provided	101	1
Utilisation of tax losses/other reliefs	(1,413)	(1,198)
Foreign tax	16	67
Adjustments to tax charge in respect of previous year	-	46
Total tax (note 9a)	117	114

c) Taxation rate changes

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase from 19% to 25%. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

d) Deferred tax

	2023 £000	2022 £000
Deferred tax asset:		
Accelerated capital allowances	(21)	21
General provisions / not relieved in current year	71	(72)
Deferred tax liability/(asset)	50	(51)
	2023 £000	2022 £000
Opening deferred tax asset	51	52
Movement during the year	(101)	(1)
Closing deferred tax (liability) / asset	(50)	51

Financial statements for the year ended 31 December 2023

Notes to the Financial Statements

10. TANGIBLE ASSETS

	Tenancy Improvements and equipment £000	Fixtures and fittings £000	Computer equipment £000	Total £000
COST				
At 1 January 2023	800	167	200	1,167
Additions	532	30	-	562
At 31 December 2023	1,332	197	200	1,729
ACCUMULATED DEPRECIATION				
At 1 January 2023	720	159	200	1,079
Charge of the year	40	11	-	51
At 31 December 2023	760	170	200	1,130
NET BOOK VALUE				
At 31 December 2023	572	27	-	599
At 31 December 2022	80	8	-	88

11. DEBTORS

	2023 £000	2022 £000
Trade Debtors	13,738	10,103
Amounts owed by group undertakings	869	712
VAT recoverable	2,836	868
Deferred tax asset	-	51
Other debtors	1	-
Corporation Tax	2	541
Prepayments and accrued income	4,783	11,456
	<u>22,229</u>	<u>23,731</u>

Amounts owed by group undertakings are unsecured, non-interest bearing and repayable on demand.

Financial statements for the year ended 31 December 2023

Notes to the Financial Statements

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £000	2022 £000
Trade creditors	8,216	6,249
Amounts owed to group undertakings	2,668	2,643
Other taxation and social security	1,318	1,230
Other creditors	372	281
Deferred tax liability	50	-
Accruals and deferred income	2,704	1,773
	<u>15,328</u>	<u>12,176</u>

Amounts owed to group undertakings are unsecured, non-interest bearing and repayable on demand.

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £000	2022 £000
Deferred income	3,796	2,798
	<u>3,796</u>	<u>2,798</u>

The deferred income relates to periodic maintenance on drilling operations contracts and will be recognised as revenue when the maintenance is performed.

14. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £000	2022 £000
5,000,000 (2022:5,000,000)	Preference Shares	£ 1	5,000	5,000
200,000 (2022:200,000)	Ordinary Shares	£ 1	200	200
			<u>5,200</u>	<u>5,200</u>

The preference shares are not cumulative, have a 0% coupon rate and are not redeemable. They rank pari passu with the ordinary share capital in all respects, save priority in a winding up of the Company.

Financial statements for the year ended 31 December 2023

Notes to the Financial Statements

16. OTHER FINANCIAL LIABILITIES

The Company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

Payments due	£000	£000
Not later than one year	621	568
Later than one year and not later than five years	1,778	646
Later than 5 years	1,470	-
	<u>3,869</u>	<u>1,214</u>

17. CONTINGENT LIABILITIES

The Company is subject to challenges by HM Revenue and Customs ("HMRC") on the historical application of National Insurance Contributions ("NICs") to workers in the UK Continental Shelf. 1 October 2021, a decision was issued by HMRC against the company in respect of the historic application of NICs. The Company has appealed against the decision and no payment has been made to HMRC pending the outcome of the first level appeal. This appeal has now been listed to take place towards the end of 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 in relation to NICs and interest should it be unsuccessful in defending its position, is approximately £25.3 million. There are no other material contingencies to be disclosed as at 31 December 2023.

18. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption available in FRS 102 not to disclose any transactions with entities that are part of the Group which qualify as related parties, on the grounds that it is a subsidiary where 100% of the voting rights are controlled with the Group.

19. ULTIMATE PARENT COMPANY

The immediate parent undertaking is Odfjell Platform Drilling AS, a company incorporated in Norway. The ultimate parent undertaking and controlling party and both the smallest and the largest group to consolidate these financial statements for 2023 is Odfjell Technology Ltd, a company incorporated in Bermuda.

A copy of the Group financial statements can be obtained from Odfjell Technology (UK) Ltd., Prime View, Prime Four Business Park, Kingswells, Aberdeen, AB15 8PU.

20. EVENTS AFTER THE END OF THE REPORTING PERIOD

There have not been any events identified after the reporting period which would materially affect these financial statements.

Registered number: SC232018 (Scotland)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
ODFJELL TECHNOLOGY (UK) Ltd.
(FORMERLY KNOWN AS ODFJELL DRILLING (UK) Ltd)

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COMPANY INFORMATION

DIRECTORS: S Lieungh
D MacLeod (resigned 31 August 2022)
D Stephen
P Ireland (appointed 31 August 2022, resigned 17 March 2023)
S Sutherland (appointed 17 March 2023)

SECRETARY: G Basson

REGISTERED OFFICE: Bergen House
Crawpeel Road
Aberdeen
AB12 3LG

REGISTERED NUMBER: SC232018

INDEPENDENT AUDITORS: KPMG LLP
1 Marischal Square
Broad Street
Aberdeen
AB10 1DD

SOLICITORS: Burness Paull LLP
Union Plaza (6th Floor)
1 Union Wynd
Aberdeen
AB10 1DQ

BANKERS: Den Norske Bank ASA
The Walbrook
25 Walbrook
London
EC4N 8AF

STRATEGIC REPORT

REVIEW OF BUSINESS

Odfjell Technology (UK) Ltd. (the Company), consists of three main service areas: drilling operations, projects and engineering, and rig inspection. In addition, support functions for all UK activities in the group operate out of the Company. During 2022 the Company continued to operate long-term contracts for drilling operations services for a number of Oil & Gas Operators in the North Sea. Our projects and engineering and rig inspection services provide support to a number of clients in the UK as well as internal support to the group. In March 2022, the Odfjell Drilling group executed a spin off of its services side of the business, creating a new separately listed group, Odfjell Technology. The Company therefore changed its name to Odfjell Technology (UK) Ltd and has a new ultimate parent, Odfjell Technology Ltd.

KEY PERFORMANCE INDICATORS (KPIs)

During the year the average technical rig uptime on the platforms operated by the Company was 97.5% (2021: 95.8%). The turnover during the year increased by 37.4% on 2021 (2021: 14.9%). Average sick leave during the year decreased to 2.7% (2021: 4.2%). The business continues to deliver operations to a high standard as indicated by rig uptime and continues to focus on costs and efficiency to remain competitive in the market.

The profit for the year and the financial position of the Company are shown in these financial statements. 2022 reflected increased operational activity on most contracts, with some assets going from warm stack to operational mode, which has led to an increase in revenue compared to 2021. This has resulted in an increase in gross profit, with gross margin increasing to 16.8% (2021: 15.9%). In addition, other operating income increased due to foreign currency gains. As a result, operating profit is significantly higher than 2021.

SECTION 172 STATEMENT

Section 172 of the Companies Act 2006 requires a Director of a company to act in a way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. In doing this, section 172 requires a Director to have regard, among other matters, to:

- a) The likely consequence of any decision in the long term;
- b) The interests of the company's employees;
- c) The need to foster the company's business relationships with suppliers, clients and others;
- d) The impact of the company's operations on the community and the environment;
- e) The desirability of the company maintaining a reputation for high standards of business conduct; and
- f) The need to act fairly between different members of the company.

During the 2022 financial year, the Directors have given careful consideration to the factors set out above in discharging their duties under section 172. Some examples of where the Board has taken account of matters a) to f) are summarised below.

The likely consequence of any decision in the long term

The Board of Directors of the Company operate the Company in accordance with the Company's Articles and the overall Odfjell Technology group strategy, which considers the long terms success of the Company and the group as a whole, and the likely long term consequences of any decisions are taken into account.

The interests of the company's employees

The employees of the Company are a valued resource. The Company is committed to equal opportunities for all and a workplace free from harassment and discrimination. The Company selects, recruits, employs and promotes staff based on the abilities of the individual regardless of sex, age, race, disability, ethnic origin or religion. Within the Odfjell Technology group, engagement with employees is considered at an organisation wide level. Employee engagement is on a continual basis, with news being shared frequently via a group intranet system. A number of employee engagement methods are in place within the group, including an annual employee survey, frequent town hall sessions, either virtually or in person, structured communication channels with employee representatives and unions and whistleblowing facilities to anonymously report concerns if required. Financial results are shared with employees through these communication channels and discussed at town halls and in intranet publications, along with market and economic updates, encouraging the involvement of employees in the Company's performance.

STRATEGIC REPORT (CONTINUED)

SECTION 172 STATEMENT (CONTINUED)

The need to foster the company's business relationships with suppliers, clients and others

The Company relies on its suppliers to provide quality goods and services on time, in order to maintain the highest standards of operation, safety and reliability in meeting the needs of its clients. Supplier relationships within the Odfjell Technology group are managed under the "Become a Supplier" procedures, which apply to all subsidiary companies. The Company is committed to having professional and ethical relationships with its suppliers and clients.

The need to foster the company's business relationships with suppliers, clients and others (continued)

There is regular communication between the Company and its clients through both formal and informal channels. Business and contract reviews are conducted to ensure client relations remain positive or that any issues can be raised and dealt with. Additionally, specific client alliance arrangements are in place to enhance collaboration.

The impact of the company's operations on the community and the environment

Engagement on environmental and community matters is primarily considered at an Odfjell Technology group level and details can be found in the Odfjell Technology Ltd Sustainability Report. The Company nominates a charity to benefit from fundraising events during the year. A team within the office are tasked with identifying and implementing regional solutions for waste reduction and environmentally friendly projects at a local level.

The desirability of the company maintaining a reputation for high standards of business conduct

Maintaining a reputation for, and upholding high standards of, business conduct is considered vital to the success of the Odfjell Technology group and the Company. Ethical Principles apply group wide and are supported by a detailed Code of Business Conduct. At a regional/Company level, particular attention has been given to the training of employees on the business conduct standards expected, especially with regards to the induction of new employees. Employees are required to complete annual declarations regarding their compliance with the Code of Business Conduct.

The need to act fairly between different members of the company

The Company has a single member and was a wholly owned subsidiary of the ultimate parent company Odfjell Drilling Ltd. until 29 March 2022, after which it was a wholly owned subsidiary of the ultimate parent company Odfjell Technology Ltd.

STATEMENT OF PRINCIPAL RISKS AND UNCERTAINTIES

The Board has identified the following factors as principal potential risks to the Company's successful operation:

Operational risks

Odfjell Technology (UK) Ltd. provides operational drilling, maintenance, engineering and inspection services for the cyclical oil and gas industry. Activity levels in connection with oil and gas exploration and production fluctuate, with a main driver being the level of oil and gas prices. The Company endeavours to reduce this risk by securing long-term contracts with reputable clients.

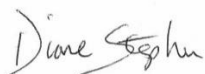
Commercial risks

Contracts in the offshore sector require high safety standards. It is important to note that all offshore contracts are associated with considerable risk and responsibilities, including technical, operational, commercial and political risks. The Company has insurance coverage deemed adequate in order to limit the above risks.

Climate Risk and Energy Transition

Climate change will have an impact on us all in the future. The transition in the energy market towards renewable energy creates some uncertainty over the demand for oil and gas. The Company continues to support the transition and look at diversification opportunities as well as work supporting plug and abandonment.

ON BEHALF OF THE BOARD



D Stephen – Director

Date: 31 July 2023

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2022.

PRINCIPAL ACTIVITIES

The principal activity of the Company in the year was that of the provision of drilling operations, projects and engineering and inspection services to the offshore oil and gas industry.

FUTURE DEVELOPMENTS

The Company holds long term contracts for platform drilling operations services for several different clients and the market for platform drilling activities has traditionally been stable over the last decade and in fact has developed positively over the last few years in response to countries looking to secure energy supply. In addition, Engineering and Rig Inspection Services have seen a period of growth and see an increase in demand going forward as they build on competency in this area.

The shift in energy supply towards renewable sources has created discussion about energy composition for the future. This is being taken into account in determining the future strategy for the Company and the group. We will use our competency and experience to provide support to decommissioning, particularly plug and abandonment, and to new energy solutions and technology, building on our solid foundation to ensure further value creation and consider diversification opportunities. Our ambition is to use our integrated services model to deliver a complete offering to the industry which will support sustainable solutions and further improve our service portfolio towards sectors such as renewable energy and marine.

On 29 March 2022, the Odfjell Drilling Ltd group, of which the Company was a member, spun off the services side of the company to form a newly created group, Odfjell Technology Ltd, which listed on the Oslo stock exchange. This separation better positions the business to execute its strategy and position the Company for the future requirements that lie ahead.

DIVIDENDS

No dividend was distributed for the year ended 31 December 2022 (2021: nil). No dividends have been recommended.

DISABLED EMPLOYEES

The Company's policy is to recruit disabled workers for those positions that they are able to fill. Arrangements are made, wherever possible, for re-training employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

EMPLOYEE INVOLVEMENT

The Company's policy is to consult and discuss with employees matters likely to affect employees' interests. An annual onshore global employee work environment survey is carried out at a group level. This provides valuable information about the working conditions in the organisation and is an important tool for promoting, developing and securing a positive work environment. Town halls are held to communicate Company information to onshore staff.

DIRECTORS

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

S Lieungh
D Stephen
S Sutherland (appointed 17 March 2023)
P Ireland (resigned 17 March 2023)
D MacLeod (resigned 31 August 2022)

GOING CONCERN

Taking all relevant risk factors and available options for financing into consideration, including subsequent events, the directors have a reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future.

REPORT OF THE DIRECTORS (CONTINUED)**FINANCIAL RISK MANAGEMENT**

The Company's operations expose it to a variety of financial risks that include credit risk and liquidity risk. The Company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company by monitoring levels of debt finance and the related finance costs.

CREDIT RISK

Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to clients, including outstanding receivables and committed transactions and amounts due from related parties. For banks and institutions, mainly independently rated parties with a minimum of 'A' are used. If clients are independently rated, these ratings are used. If there is no independent rating, risk control assesses the credit quality of the client, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal and external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of credit facilities. The Company maintains flexibility in funding by keeping adequate cash balances generated from its operations.

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

In line with the "Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance", the Company's UK energy consumption and Greenhouse Gas emissions, (being CO₂) that arise from its purchase of electricity, gas and transport are presented below. The key metrics are presented for both the reporting year and the prior year and are primarily driven by the use of utilities at the Company premises, which include office buildings, workshop, warehouse and yard, as well as the consumption of fuel for business travel and diesel for forklifts.

	Unit	2022	2021
Energy Consumption			
Electricity	kWh	397,515	358,661
Gas	kWh	777,601	834,331
Transport	Miles	29,428	10,900
Forklift diesel	Litres	8,375	8,109
Emissions			
Electricity	tCO ₂ e	80.41	76.2
Gas	tCO ₂ e	142.2	152.8
Transport	tCO ₂ e	29.9	3.3
Forklift diesel	tCO ₂ e	22.7	21.9
Total Emissions	tCO₂e	275.2	254.2
Intensity Ratio	tCO ₂ e per £M Turnover	4.1	5.2

The emissions have increased, primarily due to the fact that in 2022 we started capturing emission from 3rd party transportation. Gas consumption has decreased as we see the full year benefit of new boilers. 2022 electricity consumption has gone up, with 2022 seeing a full year of employees back in the office, compared to 2021 where employees returned to the office in September following Covid-19.

Boundaries

Electricity and gas consumption reported is in relation to our main base at Crawpeel Road in Aberdeen. It does not include the rental of warehouses where utilities are included in the rent, as opposed to being contracted for and monitored by the Company. Although charges are made to another group entity that shares occupation of the premises, we have reported total consumption on the premises before any reallocations.

REPORT OF THE DIRECTORS (CONTINUED)

STREAMLINED ENERGY AND CARBON REPORTING (SECR) (CONTINUED)

Methodology used

The 2022 government conversion factors for company reporting of greenhouse gas emissions, as published by the Department for Business, Energy & Industrial Strategy, were used to convert consumption in the year into metric tons of carbon dioxide equivalents (tCO₂e).

The gas conversion calculation is based on gross calorific values for natural gas. kWh consumption is based on actual meter readings as stated on utility invoices rather than estimates. For travel, the miles claimed by employees for the use of private vehicles for business travel are extracted from the financial system and payroll. Miles travelled are converted using the rate for a medium car. There are no company cars provided or other company owned vehicles operated. Fuel associated with the transportation of goods subcontracted to a third party are calculated by estimating the mileage per trip and using conversion tables to arrive at CO₂ emissions. Fuel for flights and other staff transportation not operated by the Company is excluded.

The most relevant intensity ratio for the company is tCO₂e per £M turnover. This will allow meaningful comparatives as it will take into account changes in activity levels and as demonstrated in the table above this has reduced year on year.

Energy Efficiency action

Over recent years, the Company has taken a number of actions to reduce energy consumption and waste such as:

- replacement of light fittings with LED lights
- installation of infra-red light sensors in bathrooms
- Communications to staff to remind them to switch off lights and monitors, backed up by security ensuring all lights switched off
- recycling of kitchen oil waste
- Replaced recycling bins with new more visible bins that provide for more segregation of waste
- replacing disposable cups with ceramic
- introduction of an electric forklift to the fleet
- Replacement of two boilers with more efficient units with weather compensated system control
- Relocation of spares to minimise travel costs incurred in driving between sites
- Encouraged only business essential travel and maximising use of communication by Teams
- Flexible working introduced, allowing employees to work part of the week from home, reducing energy consumption in the office (as well as home to work travel)

In 2019, the company underwent an Energy Savings Opportunity Scheme (ESOS) audit and the company will be audited again in 2023. In 2022, we have introduced tracking of third party road transportation mileage and emissions tracking to reduce emissions through consolidation of transport.

We continue to hold our ISO14001:2015 accreditation and comply with the required standards. We had no government reportable environmental incidents in 2022 and during the year only 2% of our waste disposed of went to landfill – our desired target is 0%. The only thing now sent to landfill are hoses beyond economical repair.

The Company participates in ongoing group initiatives to reduce carbon emissions and manage our waste disposal. There is a group wide database to capture global waste information.

REPORT OF THE DIRECTORS (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

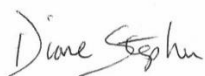
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

DIRECTOR'S CONFIRMATIONS

In the case of each director in office at the date the Report of the Directors is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:



D Stephen - Director

Date: 31 July 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ODFJELL TECHNOLOGY (UK) LTD

Opinion

We have audited the financial statements of Odfjell Technology (UK) Ltd ("the Company") for the year ended 31 December 2022 which comprise the profit and loss account, balance sheet and related notes, including the accounting policies in note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls, in particular the risk that management may

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ODFJELL TECHNOLOGY (UK) LTD

be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates. On this audit we do not believe there is a fraud risk related to revenue recognition because of the simple nature and low degree of estimation in calculating revenue and allocating it to the correct reporting period.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and others management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's license to operate. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery, and certain aspects of company legislation recognising the nature of the Company's activities. Auditing standards limit the required procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the other information, which comprises the strategic report and the directors' report. Our opinion on the financial statements does not cover the those reports and, accordingly, we do not express an audit opinion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ODFJELL TECHNOLOGY (UK) LTD

- we have not identified material misstatements in the other information;
- in our opinion the information given in the strategic report and the directors' report for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 9, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Paula Holland (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Marischal Square
Broad Street
Aberdeen
AB10 1DD

1 August 2023

Financial statements for the year ended 31 December 2022

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £000	2021 £000
TURNOVER	4	66 689	48 531
Cost of sales		<u>(55 487)</u>	<u>(40 803)</u>
GROSS PROFIT		11 202	7 728
Administrative expenses		(5 878)	(5 554)
Other operating income		<u>678</u>	<u>526</u>
OPERATING PROFIT	6	6 002	2 700
Interest receivable and similar income	7	226	-
Interest payable and similar expenses	8	<u>(3)</u>	<u>-</u>
PROFIT BEFORE TAXATION		6 225	2 700
Tax on profit	9	<u>(114)</u>	<u>(60)</u>
PROFIT FOR THE FINANCIAL YEAR	15	<u><u>6 111</u></u>	<u><u>2 640</u></u>

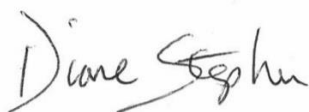
All items dealt with in arriving at the profit for the years stated above relate to continuing operations.

There are no other items of comprehensive income in either year other than those shown above.

Financial statements for the year ended 31 December 2022**BALANCE SHEET AS AT 31 DECEMBER 2022**

	Note	2022 £000	2021 £000
FIXED ASSETS			
Tangible assets	10	88	209
CURRENT ASSETS			
Debtors	11	23,731	21,483
Cash at bank and in hand		<u>15,082</u>	<u>10,195</u>
		38,813	31,678
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	12	<u>(12,176)</u>	<u>(12,112)</u>
NET CURRENT ASSETS		<u>26,637</u>	<u>19,566</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		26,725	19,775
CREDITORS			
Amounts falling due after more than one year	13	<u>(2,798)</u>	<u>(1,959)</u>
NET ASSETS		<u><u>23,927</u></u>	<u><u>17,816</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	5,200	5,200
Profit and loss account	15	<u>18,727</u>	<u>12,616</u>
TOTAL SHAREHOLDERS' FUNDS		<u><u>23,927</u></u>	<u><u>17,816</u></u>

The financial statements on pages 13 to 27 were approved by the Board of Directors on 20 April 2023 and signed on its behalf on 31 July 2023 by:



.....
D Stephen – Director

Reg No SC232018 (Scotland)

Financial statements for the year ended 31 December 2022**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Profit and loss account	Total Shareholders' funds
	£000	£000	£000
Balance as at 1 January 2022	5 200	9 976	15 176
Profit for the financial year and total comprehensive income	-	2 640	2 640
Balance as at 31 December 2022	<u>5 200</u>	<u>12 616</u>	<u>17 816</u>
Profit for the financial year and total comprehensive income	-	6 111	6 111
Balance as at 31 December 2022	<u><u>5 200</u></u>	<u><u>18 727</u></u>	<u><u>23 927</u></u>

Financial statements for the year ended 31 December 2022

Notes to the Financial Statements

1. GENERAL INFORMATION

Odfjell Technology (UK) Ltd. is a private company limited by shares and is incorporated and domiciled in the UK. The address of its registered office is Bergen House, Crawpeel Road, Aberdeen, AB12 3LG.

2. STATEMENT OF COMPLIANCE

The individual financial statements of Odfjell Technology (UK) Ltd. have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006, (Accounts and Reports) Regulations 2008 (SI 2008/410). The reduced disclosure framework set out in FRS 102 was applied.

3. ACCOUNTING POLICIES

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity to FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed separately.

Going Concern

The financial statements have been prepared on the basis of the going concern assumption and the Directors have confirmed that this was realistic at the time the financial statements were approved. Taking into account all relevant risk factors, the Board has a reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future. Hence, the Company has adopted the going concern basis in preparing its financial statements.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to conditions.

The Company has taken advantage of the following exemptions in its individual financial statements:-

- i. from preparing a statement of cash flows, on the basis that it is a qualifying entity;
- ii. from the financial instrument disclosures, required under FRS 102 paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(ii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A, as the information is provided in the consolidated financial statement disclosures;
- iii. from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

Foreign currencies

The national currency of the United Kingdom is GBP. The reporting currency of the Company is the British Pound rounded to the nearest thousand unless stated otherwise. In preparing the financial statements, transactions in currencies other than the Company's reporting currency (foreign currencies), are recorded at the rates of exchange prevailing at the dates of the transactions.

Financial statements for the year ended 31 December 2022

Notes to the Financial Statements

3. ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the year in which they arise.

Tangible fixed assets

Tangible fixed assets are presented at their original cost, net of accumulated depreciation and impairment (if any) and include expenditures incurred associated with the acquisition of the asset and in bringing it to a condition where it is ready for its intended use.

The Company depreciates property, plant and equipment using the following depreciation rates:

Tenancy improvements and equipment	33 % on straight line basis
Fixtures and fittings	25 % on straight line basis
Computer equipment	25 % to 50 % on straight line basis

Revenue recognition

Revenues are measured at the fair value of the consideration received or receivable. Revenues are shown net of VAT and discounts. Incentive payments are included in revenue when it is probable that the specified performance standards will be met, and the amount of the incentive payment can be measured reliably.

The Company recognises revenue at the time of delivery, which represents the point at which the significant risks and rewards of ownership are transferred to the client, and when collection of the resulting consideration for those goods is reasonably assured. Turnover from services is recognised as the services are rendered, including income based on day rates from drilling operations contracts and day/hour rates on other service contracts.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Income taxes

The income tax expense represents the sum of tax currently payable and deferred income tax.

Current tax

Tax currently payable is based on taxable income for the year. Taxable income differs from net profit as reported in the profit and loss account as it excludes income or expense items that are taxable or deductible in other years, and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates in effect at the balance sheet date.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if a temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable profit nor accounting profit.

Financial statements for the year ended 31 December 2022

Notes to the Financial Statements

3. ACCOUNTING POLICIES (Continued)

Deferred tax (Continued)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered.

A deferred tax asset or liability is calculated at tax rates that are expected to apply in the year when the liability is settled, or the asset realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised on the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

Pensions

The Company operates a defined contribution pension scheme provided and managed by an external service provider. Contributions payable for the year are charged in the profit and loss account.

Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amounts of the obligations. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate of management.

Impairment excluding deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Financial statements for the year ended 31 December 2022

Notes to the Financial Statements

3. ACCOUNTING POLICIES (Continued)

Impairment excluding deferred tax assets (continued)

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use, that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or CGU).

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are recognised as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Critical accounting estimates and judgements

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 critical accounting estimates and judgements applied are:

Financial statements for the year ended 31 December 2022

Notes to the Financial Statements

3. ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements (continued)

Contingencies

The Company may from time to time be subject to various legal proceedings, disputes and claims including regulatory discussions related to the Company's business, investments etc., of which the outcomes are subject to significant uncertainty. Management applies significant judgement when evaluating the degree of probability of an unfavourable outcome and the ability to make a reasonable estimate of the amount of loss. Unanticipated events or changes in these factors may require the Company to accrue for a matter that has not been previously accrued for because it was not considered probable, or a reasonable estimate could not be made, or increase or decrease an amount accrued for a matter in previous reporting periods.

4. TURNOVER

The turnover and profit before taxation are attributable to the principal activity of the Company, the supply of drilling related and engineering and inspection services to the offshore industry. All the turnover originated in the United Kingdom and an analysis of turnover by destination is given below:

	2022	2021
	£000	£000
United Kingdom	65 448	47 775
Kuwait	1 071	413
Norway	170	290
Other	-	53
	<u>66 689</u>	<u>48 531</u>

5. STAFF COSTS

	2022	2021
	£000	£000
Wages and salaries	31 184	23 725
Social security costs	3 919	2 892
Other pension costs	1 346	1 046
	<u>36 449</u>	<u>27 663</u>
Directors' emoluments		
	2022	2021
	£000	£000
Aggregate emoluments	<u>207</u>	<u>204</u>

Financial statements for the year ended 31 December 2022

Notes to the Financial Statements

5. STAFF COSTS (Continued)

Highest paid director:	2022 £000	2021 £000
Director's emoluments	148	196
Company Contribution to pension scheme	<u>5</u>	<u>8</u>
	<u>153</u>	<u>204</u>

Not all the directors are employed by the company, and as the company does not receive any charges for these directors, the amounts above relate only to those directors employed by the company for the period they are a director.

The average monthly number of employees during the year was as follows:

	2022 Number	2021 Number
Direct	<u>392</u>	<u>323</u>
Administration	<u>31</u>	<u>27</u>

At 31 December 2022 £285,491 (2021: £170,100) was outstanding in respect of pension contributions due by the Company.

6. OPERATING PROFIT

The operating profit is stated after charging / (crediting):

	2022 £000	2021 £000
Operating lease rental - building and yard	564	539
Depreciation of owned assets	91	171
Auditors' remuneration - audit of the financial statements	7	16
Other fees to auditors - taxation advisory services	(19)	(10)
Foreign exchange differences	(674)	177

The auditors' remuneration was £7,200 for the audit of the year ended 31 December 2022 (2021: £7,200, plus £8,531 in relation to the auditors prior to KPMG). There have not been any non-audit fees from the auditor for the year ended 31 December 2022.

Financial statements for the year ended 31 December 2022

Notes to the Financial Statements

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2022 £000	2021 £000
Bank interest	226	-
	<u>226</u>	<u>-</u>

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022 £000	2021 £000
Bank interest	3	-
	<u>3</u>	<u>-</u>

9. TAX ON PROFIT

a) Tax on profit

The tax charge is made up as follows:

Current tax:

UK corporation tax @ 19% (2021: 19%)

Foreign Tax

Adjustments to tax charge in respect of previous year

Total current tax

Deferred tax:

Origination and reversal of timing differences

Rate change adjustment

Total deferred tax

Tax charge on profit

	2022 £000	2021 £000
UK corporation tax @ 19% (2021: 19%)	-	-
Foreign Tax	67	18
Adjustments to tax charge in respect of previous year	<u>46</u>	<u>60</u>
Total current tax	113	78
<i>Deferred tax:</i>		
Origination and reversal of timing differences	1	(14)
Rate change adjustment	<u>-</u>	<u>(4)</u>
Total deferred tax	1	(18)
Tax charge on profit	<u>114</u>	<u>60</u>

Financial statements for the year ended 31 December 2022

Notes to the Financial Statements

9. TAX ON PROFIT (continued)

b) Factors affecting the total tax charge

The tax assessed for the year differs (2021:differs) from the standard rate of corporation tax in the UK. The difference is explained below:

	2022 £000	2021 £000
Profit before taxation	6 225	2 700
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%)	1 183	513
<i>Effects of:</i>		
Expenses not deductible for tax purposes	15	61
Deferred tax assets provided	1	(18)
Utilisation of tax losses/other reliefs	(1 198)	(574)
Foreign tax	67	18
Adjustments to tax charge in respect of previous year	46	60
Total tax (note 9a)	<u>114</u>	<u>60</u>

c) Taxation subsequent changes

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase from 19% to 25%. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

d) Deferred tax

	2022 £000	2021 £000
Deferred tax asset:		
Accelerated capital allowances	21	6
General provisions / not relieved in current year	(72)	(58)
Deferred tax asset	<u>(51)</u>	<u>(52)</u>
	2022 £000	2021 £000
Opening deferred tax asset	52	34
Movement during the year	(1)	18
Closing deferred tax asset	<u>51</u>	<u>52</u>

Financial statements for the year ended 31 December 2022**Notes to the Financial Statements****10. TANGIBLE ASSETS**

	£000	£000	£000	£000
COST				
At 1 January 2022	1 146	322	539	2 007
Additions	(30)	-	-	(30)
Disposals	(316)	(155)	(339)	(810)
At 31 December 2022	800	167	200	1 167
ACCUMULATED DEPRECIATION				
At 1 January 2022	978	299	521	1 798
Charge of the year	58	15	18	91
Disposals	(316)	(155)	(339)	(810)
At 31 December 2022	720	159	200	1 079
NET BOOK VALUE				
At 31 December 2022	80	8	-	88
At 31 December 2021	168	23	18	209

11. DEBTORS

	2022 £000	2021 £000
Trade Debtors	10 103	13 650
Amounts owed by group undertakings	712	526
VAT recoverable	868	688
Deferred tax asset	51	52
Other debtors	-	-
Corporation Tax	541	605
Prepayments and accrued income	11 456	5 962
	<u>23 731</u>	<u>21 483</u>

Amounts owed by group undertakings are unsecured, non-interest bearing and repayable on demand.

Financial statements for the year ended 31 December 2022**Notes to the Financial Statements****12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£000	£000
Trade creditors	6 249	6 580
Amounts owed to group undertakings	2 643	2 548
Other taxation and social security	1 230	974
Corporation tax	-	-
Other creditors	281	234
Accruals and deferred income	1 773	1 776
	<u>12 176</u>	<u>12 112</u>

Amounts owed to group undertakings are unsecured, non-interest bearing and repayable on demand.

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£000	£000
Contract liability	2 798	1 959
	<u>2 798</u>	<u>1 959</u>

The contract liability is deferred revenue relating to periodic maintenance on drilling operations contracts and will be recognised as revenue when the maintenance is performed.

14. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022	2021
			£000	£000
5,000,000 (2021:5,000,000)	Preference Shares	£ 1	5 000	5 000
200,000 (2021:200,000)	Ordinary Shares	£ 1	200	200
			<u>5 200</u>	<u>5 200</u>

The preference shares are not cumulative, have a 0% coupon rate and are not redeemable. They rank pari passu with the ordinary share capital in all respects, save priority in a winding up of the Company.

Financial statements for the year ended 31 December 2022

Notes to the Financial Statements

15. PROFIT AND LOSS ACCOUNT

	2022 £000	2021 £000
At January 1	12 616	9 976
Profit for the financial year	<u>6 111</u>	<u>2 640</u>
At December 31	<u><u>18 727</u></u>	<u><u>12 616</u></u>

16. OTHER FINANCIAL LIABILITIES

The Company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2022 £000	2021 £000
Payments due		
Not later than one year	568	547
Later than one year and not later than five years	<u>646</u>	<u>1,170</u>
	<u><u>1,214</u></u>	<u><u>1,717</u></u>

17. CONTINGENT LIABILITIES

The Company is subject to challenges by HM Revenue and Customs ("HMRC") on the historical application of National Insurance Contributions ("NICs") to workers in the UK Continental Shelf. 1 October 2021, a decision was issued by HMRC against the company in respect of the historic application of NICs. The Company has appealed against the decision and no payment has been made to HMRC pending the outcome of the first level appeal. A final verdict is not expected in the short to medium term. Management, taking into consideration advice from independent legal and tax specialists, believes that at this time the outcome is not yet probable and accordingly, no provision has been recognised. The potential exposure in relation to NICs and interest should it be unsuccessful in defending its position, is approximately £23.6 million. There are no other material contingencies to be disclosed as at 31 December 2022.

18. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption available in FRS 102 not to disclose any transactions with entities that are part of the Group which qualify as related parties, on the grounds that it is a subsidiary where 100% of the voting rights are controlled with the Group.

19. ULTIMATE PARENT COMPANY

The immediate parent undertaking is Odfjell Platform Drilling AS, a company incorporated in Norway. The ultimate parent undertaking and controlling party and both the smallest and the largest group to consolidate these financial statements for 2022 is Odfjell Technology Ltd, a company incorporated in Bermuda.

A copy of the group financial statements can be obtained from Odfjell Technology (UK) Ltd., Bergen House, Crawpeel Road, Aberdeen, AB12 3LG.

Financial statements for the year ended 31 December 2022

Notes to the Financial Statements

20. EVENTS AFTER THE END OF THE REPORTING PERIOD

There have not been any events identified after the reporting period which would materially affect these financial statements.

Appendix 15 – Financial statements for Odfjell Engineering AS as of and for the financial years ended 31 December 2023 and 31 December 2022



Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	991 491 252
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ODFJELL ENGINEERING AS
Forretningsadresse:	Kokstadflaten 35 5257 KOKSTAD

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
-------------------------	-------------------------

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Joachim S.Lie
Dato for fastsettelse av årsregnskapet:	14.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
 År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 18.02.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		555 267 000	491 640 000
Annen driftsinntekt		2 455 000	7 014 000
Sum inntekter	2, 3	557 722 000	498 654 000
Kostnader			
Lønnskostnad	4, 5, 6	246 576 000	196 826 000
Avskrivning	7, 8	739 000	947 000
Annen driftskostnad	9, 10	240 453 000	243 530 000
Sum kostnader		487 768 000	441 303 000
Driftsresultat		69 954 000	57 351 000
Finansinntekter og finanskostnader			
Finansinntekt	11	1 477 000	282 000
Sum finansinntekter		1 477 000	282 000
Finanskostnad	11	579 000	3 864 000
Sum finanskostnader		579 000	3 864 000
Netto finans		898 000	-3 582 000
Ordinært resultat før skattekostnad		70 851 000	53 769 000
Skattekostnad på ordinært resultat	12	15 753 000	12 024 000
Ordinært resultat etter skattekostnad		55 098 000	41 745 000
Årsresultat	20	55 098 000	41 745 000
Overføringer og disponeringer			
Avgitt konsernbidrag	13	54 796 000	42 138 000
Overføringer annen egenkapital	13	302 000	-393 000
Sum overføringer og disponeringer		55 098 000	41 745 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Lisenser	7	1 430 000	1 869 000
Sum immaterielle eiendeler		1 430 000	1 869 000
Varige driftsmidler			
Maskiner og anlegg	8	1 447 000	1 439 000
Datautstyr og inventar	8	100 000	407 000
Sum varige driftsmidler		1 547 000	1 846 000
Finansielle anleggsmidler			
Investering i datterselskap	14	697 000	580 000
Pensjonsmidler	6	4 816 000	3 844 000
Sum finansielle anleggsmidler		5 512 000	4 424 000
Sum anleggsmidler		8 489 000	8 139 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	15, 16	87 849 000	114 272 000
Andre kortsiktige fordringer	15, 16	3 575 000	2 915 000
Sum fordringer	17	179 941 000	173 164 000
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	18	6 662 000	5 481 000
Sum omløpsmidler		186 603 000	178 645 000
SUM EIENDELER		195 092 000	186 784 000

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2023	2022
Egenkapital			
Innskutt egenkapital			
Aksjekapital	13, 19	2 360 000	2 360 000
Annen innskutt egenkapital	5, 13	14 415 000	13 661 000
Sum innskutt egenkapital		16 774 000	16 021 000
Opptjent egenkapital			
Annen egenkapital	13, 13	302 000	
Sum opptjent egenkapital		302 000	
Sum egenkapital		17 077 000	16 021 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	12	1 011 000	747 000
Sum avsetninger for forpliktelser		1 011 000	747 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		1 011 000	747 000
Kortsiktig gjeld			
Leverandørgjeld	15, 16	26 831 000	57 618 000
Betalbar skatt	12	0	0
Skyldige offentlige avgifter		14 054 000	19 886 000
Annen kortsiktig gjeld	15, 16	136 119 000	92 513 000
Sum kortsiktig gjeld	17	177 004 000	170 017 000
Sum gjeld		178 015 000	170 764 000
SUM EGENKAPITAL OG GJELD		195 092 000	186 784 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 420057

Enheten

Organisasjonsnummer: 991 491 252
Organisasjonsform: Aksjeselskap
Foretaksnavn: ODFJELL ENGINEERING AS
Forretningsadresse: Kokstadflaten 35
5257 KOKSTAD

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler
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Bekreftet av representant for selskapet: Joachim S.Lie
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Brønnøysundregistrene, 21.05.2024



Organisasjonsnr: 991 491 252
ODFJELL ENGINEERING AS

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ODFJELL ENGINEERING AS

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Annen kortsiktig gjeld	15, 16	136 119 000	92 513 000
Sum kortsiktig gjeld	17	177 004 000	170 017 000
Sum gjeld		178 015 000	170 764 000
SUM EGENKAPITAL OG GJELD		195 092 000	186 784 000



Organisasjonsnr: 991 491 252
ODFJELL ENGINEERING AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
19

Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Ordinære aksjer	2359729.00	1.00	2359729.00
<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
Odfjell Platform Drilling AS	2359729.00	100.00%	Ordinære aksjer
<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	2359729.00	100.00%	

Alle aksjer i selskapet tilhører samme aksjeklasse, og har like stemmerettigheter. Konsernspiss i Odfjell Technology-konsernet er Odfjell Technology Ltd., hvor selskapet inngår i konsolideringen. Konsernregnskapet er tilgjengelig på selskapets hjemmeside www.odfjelltechnology.com.

Note
4

Lønn og ytelser

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	153093322000.00	118395825000.00
<u>Arbeidsgiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	25212809000.00	18433532000.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	14004254000.00	11909928000.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	54266038000.00	48086623000.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	246576423000.00	196825908000.00

Ytelser til daglig leder



Note

Ytelser til andre ledende personer

<u>Ledende person</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
Daglig leder (periode 01.01.23 - 31.12.23)	2178575000.0 0	146069000.00	141175000.00
<u>Sum ytelse andre led.pers.</u>	<u>Lønn</u> 2178575000.0 0	<u>Pensj.forpl.</u> 146069000.00	<u>Andre godtgj.</u> 141175000.00

Styret har ikke mottatt godtgjørelse i 2023. Selskapet er pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne loven.

Note

Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	90000000.00	80000000.00
<u>Sum godtgjørelse til revisor</u>	<u>Årets</u> 90000000.00	<u>Fjorårets</u> 80000000.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
166.00

Note

Lån og sikkerhetsstillelse til ledende personer og aksjeeiere

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

Note

14

Konsern, tilknyttet selskap og datterselskap

Tilknyttet selskap/datterselskap

<u>Navn og adresse</u>	<u>Eierandel</u>	<u>Stemmeandel</u>	<u>Egenkapital</u>	<u>Resultat</u>
Odfjell Energy Crewing AS	100.00%	100.00%	531000.00	-116000.00



Datterselskap er forventet å generere overskudd i fremtiden, og bokført verdi anses å være i behold.
Virksomheten inngår i konsolideringen til morselskapets konsernregnsk.: Nei

Datterselskap er utelatt fra konsolideringen: Nei

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
---------------------	------------------	------------------	----------------

<u>Skattemessig fremf.undersk.</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Kortsiktig gjeld</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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Odfjell Engineering AS

Årsrapport for 2023

Årsberetning

Årsregnskap

- Resultatregnskap
- Balanse
- Kontantstrømoppstilling
- Noter

Revisjonsberetning



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Odfjell Engineering AS

Årsberetning 2023

Odfjell Engineering AS

Adresse: Kokstadflaten 35, 5257 Kokstad

Org.nr: 991 491 252 MVA

Virksomhetens art

Odfjell Engineering AS driver innenfor områdene ingeniørtjenester, kompetanse og teknologi. Selskapet er lokalisert i Bergen.

Fremtidig utvikling

Selskapet hadde en god omsetning i 2023, med en økning i omsetning fra 2022 på omlag MNOK 59, hovedsakelig forklart ved en jevn økning i etterspørsel etter selskapets tjenester og vi har sett i løpet av 2023 at oljeservicemarkedet har utviklet seg positivt, med økende antall aktive rigger og boreoperasjoner globalt. Selskapet har gjennom 2023 jobbet med effektiviseringstiltak, justering og tilpasning av ressursbasen, slik at kompetanse og kostnadsnivået stemmer med aktivitetsnivået. Videre er det et satsningsområde i konsernet for prosjekter og ingeniørtjenester og vi ønsker å vokse i ingeniørmarkedet både for eksisterende kunder og leveranser og mot nye muligheter innenfor det grønne skiftet. Vi forventer økt etterspørsel etter våre tjenester i årene fremover, på bakgrunn av økt aktivitet innen olje- og gass parallelt med utviklingen som skjer innenfor det grønne skiftet.

Skattepakken som regjeringen introduserte for å stimulere til høyere aktivitet på norsk sokkel har gitt økt arbeid generelt i bransjen. Dette har indirekte ført til en økning i aktivitet også for selskapet. Videre ser vi at perioden frem til 2024 vil være preget av et økende behov for støtte til klassing av mobile rigger som vil gi en stabil prosjektbasert omsetning for deler av ressurs basen samt vil kunne være en bidragsyter til å få nye tjenester introdusert til kundene, eksempelvis integritetstjenester.

Aktuell ordresreserve samt ingen signaler fra kunde om bruk av force majeure klausuler, gjør sitt til at selskapet i begrenset grad vurderes eksponert for bortfall av inntekter. Selskapet vil jobbe aktivt for å opprettholde omsetning i årene fremover. Det presiseres at det alltid vil være knyttet usikkerhet til fremtidig utvikling.

Styret mener at det fremlagte årsregnskapet gir et rettviseende bilde over utviklingen og resultatet av foretakets virksomhet og stilling.

Resultat, investeringer, finansiering og likviditet

Selskapets omsetning i 2023 var NOK 557,7 mill. mot NOK 498,6 mill. 2022. Årets overskudd var NOK 55,0 mill. mot overskudd på NOK 41,7 mill. i 2022. Effektiviseringstiltak og utvikling av nye forretningsprodukter og tjenester påvirket marginene i året.

Selskapets likviditetsbeholdning pr 31.12.2023 var NOK 6,6 mill. mot NOK 5,4 mill. pr 31.12.2022. Selskapets kortsiktige gjeld pr 31.12.2023 var NOK 177,0 mill. mot NOK 170,0 mill. pr 31.12.2022. Arbeidskapitalen var NOK 9,5 mill. pr 31.12.2023 og NOK 8,6 mill. pr 31.12.2022.



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Odfjell Engineering AS

Totalkapital pr 31.12.2023 var NOK 195,0 mill. mot NOK 186,7 mill. pr 31.12.2022. Selskapets egenkapital og egenkapitalandel pr 31.12.2023 var henholdsvis NOK 17,0 mill. og 8,7%, mot NOK 16,0 mill. og 8,5 % pr 31.12.2022. Selskapet avga i 2023 et skattepliktig konsernbidrag til Odfjell Offshore Ltd på NOK 49,6 millioner etter skatt, skattepliktig konsernbidrag til datterselskap Odfjell Energy Crewing AS på NOK 149,5 tusen og et skattepliktig konsernbidrag til søsterselskap Odfjell Operations AS på NOK 20,6 millioner. Selskapets styre mener at egenkapitalandelen er tilfredsstillende sett i forhold til selskapets stilling og drift.

Kontantstrøm fra operasjonelle aktiviteter var i 2023 positiv NOK 88,3 mill. mot positiv NOK 103,5 mill. i 2022. Forskjellen mellom driftsresultat og kontantstrøm fra operasjonelle aktiviteter skyldes hovedsakelig endring i arbeidskapital. Det var ingen kontantstrøm fra investeringsaktiviteter i 2023 (negativ NOK 2,3 mill. i 2022). Kontantstrøm fra finansieringsaktiviteter var negativ med NOK 87,1 mill. i 2023 (negativ med NOK 101,3 mill. i 2022).

Det er ikke inntrådt forhold etter regnskapsårets utgang som er av vesentlig betydning ved bedømmelse av selskapets resultat og stilling.

Finansiell risiko

Selskapet vurderes å ha en lav eksponering for valutarisiko da en uvesentlig del av inntektene blir oppgjort i fremmed valuta. Dersom dette endrer seg vil selskapet kontinuerlig vurdere å redusere valutarisiko på kontrakter som løper i utenlandsk valuta ved å inngå valutaterminkontrakter for å sikre inntektsstrømmen omregnet i norske kroner. Det er ikke inngått valutasikringskontrakter i 2022. Likvide midler og gjeld er hovedsakelig i NOK. Selskapet er således eksponert mot endring i rentenivået i NOK. Risiko er knyttet til netto gjeldsposisjon og vurderes til å være begrenset.

Markedsrisiko

Størstedelen av selskapets virksomhet er knyttet til modifikasjonsprosjekter og inspeksjon som i sin natur gir en begrenset ordresreserve. Selskapets hovedrisiko er følgelig knyttet til tilgang av nye prosjekter, god planlegging og effektiv utnyttelse av selskapets ingeniørressurser, inspektører og feltarbeidere. Videre ser vi at tilgang på ressurser, både faste og fleksible, kan stramme seg til i 2024 og igjen medføre til lavere vekst enn budsjettet.

Kredittrisiko

Risiko for at motparten ikke har økonomisk evne til å oppfylle sine forpliktelser anses som lav, da det historisk har vært lite tap grunnet manglende betalingsevne og kunder stort sett er selskaper med tilfredsstillende likviditet.

Likviditetsrisiko

Selskapet vurderer likviditetsrisiko som begrenset, og det er ikke besluttet å innføre tiltak som endrer likviditetsrisiko.

Fortsatt drift

Årsoppgjøret er avlagt under forutsetning om fortsatt drift. I samsvar med regnskapsloven § 3-3a bekreftes det at forutsetningene om fortsatt drift er til stede. Til grunn for antagelsen ligger resultatprognoser og selskapets langsiktige strategiske prognoser for årene fremover. Selskapet har en god økonomisk og finansiell stilling.

Arbeidsmiljø

Styret anser arbeidsmiljøet som tilfredsstillende, og har ikke iverksatt spesielle tiltak på dette området i 2023. Arbeidsmiljøet i Odfjell Engineering AS anses for å være bra, noe som avdekkes gjennom årlige organisasjon- og arbeidsmiljøundersøkelser for ansatte i selskapet. Gjennom undersøkelsene får selskapet verdifull informasjon om hvordan ansatte opplever arbeidsoppgaver, arbeidsprosesser, arbeidsmengde, sosialt samspill og ledelse. Den gir også informasjon om hva som krever ytterlig fokus og virkninger av forbedringstiltak. Det er et viktig verktøy for å fremme og videreutvikle et godt arbeidsmiljø. Det ble gjennomført egen arbeidsmiljøundersøkelse i Odfjell Technology-konsernet høsten 2023 og tiltak som settes i verk som følger av denne undersøkelsen vil bli prioritert videre i 2024.



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Odfjell Engineering AS

Ved utgangen av 2023 var det 168 ansatte i Odfjell Engineering AS, hvor 137 var menn og 31 var kvinner. Totalt var det et sykefravær i selskapet på 3,8 % mot 2,6 % i 2022. Det er ikke rapportert om skader eller ulykker på arbeidsplassen.

Likestilling

Selskapet har innarbeidet policy som tar sikte på at det ikke forekommer forskjellsbehandling grunnet kjønn.

Selskapets Likestillingsredegjørelse er tilgjengelig på Odfjell Technology's offentlige website; www.odfjelltechnology.com.

Kvinneandelen i selskapet er 18 % pr. 31.12.2023, mot 16 % pr 31.12.2022.

Diskriminering

Selskapet arbeider aktivt for å forhindre diskriminering som følge av nedsatt funksjonsevne, etnisitet, nasjonal opprinnelse, hudfarge, religion eller livssyn. Aktivitetene omfatter blant annet rekruttering, lønns- og arbeidsvilkår, forfremmelse, utviklingsmuligheter og beskyttelse mot trakassering. Odfjell Engineering AS har som målsetning å reflektere befolkningen i nærområdet. Redegjørelse i henhold til Likestillings- og diskrimineringsloven §26 er tilgjengelig på Odfjell Technology's offentlige website; www.odfjelltechnology.com.

Som et ledd i selskapets "Human Right Policy" er det også vedtatt forbud mot alle former for tvangsarbeid eller barnarbeid. All Odfjell Technology's aktivitet skal være i samsvar med internasjonalt anerkjente arbeidsstandarter innenfor områder som lønn, arbeidstid, disiplinære metoder, arbeidsavtaler og arbeidsforhold. Tilsvarende krav skal også håndheves gjennom kontrakter med leverandører, samarbeidspartnere, agenter etc. Konsernets «Human rights policy» i henhold til ikrafttredelse av den nye Åpenhetsloven av 1. juli 2022, samt selskapets Likestillingsredegjørelse er tilgjengelig på Odfjell Technology's offentlige website; www.odfjelltechnology.com.

Ytre miljø

Virksomheten er sertifisert til ISO 14001, og alt arbeid risiko vurderes i forhold til potensielle påvirkninger på ytre miljø. Virksomheten har i 2023 ikke registrert forurensning eller utslipp som kan være til skade for det ytre miljø. For ytterligere detaljer om HMS og bærekraft vises det til Odfjell Technologys årsrapport og ESG årsrapport.

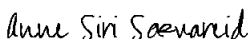
Styreansvarsforsikring

Det er tegnet forsikring på konsernnivå for styrets medlemmer og daglig leder for deres mulige ansvar overfor selskapet og tredjepersoner. Forsikringen er begrenset til MNOK 75 per år og per hendelse.

Bergen, 29. april 2024
Styret for Odfjell Engineering AS



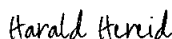
Simen Lieungh
Styreleder



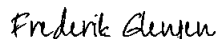
Anne Siri Sævareid
Daglig leder



Jone Torstensen
Styremedlem



Harald Asle Hereid
Styremedlem



Frederik Glenjen
Styremedlem



Kurt W. Holsæter
Styremedlem



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Odfjell Engineering AS

Resultatregnskap

Beløp vises i tusen kr

	Note	2023	2022
Driftsinntekter			
Driftsinntekter	2, 3	557 722	498 654
Driftskostnader			
Lønnskostnad	4, 5, 6	246 576	196 826
Avskrivning	7, 8	739	947
Annen driftskostnad	9, 10	240 453	243 530
Sum driftskostnader		<u>487 768</u>	<u>441 303</u>
Driftsresultat		<u>69 954</u>	<u>57 351</u>
Finansinntekter og finanskostnader			
Finansinntekt	11	1 477	282
Finanskostnad	11	<u>579</u>	<u>3 864</u>
Netto finansposter		<u>898</u>	<u>-3 582</u>
Ordinært resultat før skattekostnad		<u>70 851</u>	<u>53 769</u>
Skattekostnad på ordinært resultat	12	<u>15 753</u>	<u>12 024</u>
Årsresultat		<u>55 098</u>	<u>41 745</u>
Overføringer og disponeringer			
Avgitt konsernbidrag	13	54 796	42 138
Overføringer annen egenkapital	13	<u>302</u>	<u>-393</u>
Sum disponert		<u>55 098</u>	<u>41 745</u>



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Odfjell Engineering AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2023	2022
Anleggsmidler			
<i>Immaterielle eiendeler</i>			
Lisenser	7	1 430	1 869
<i>Varige driftsmidler</i>			
Maskiner og anlegg	8	1 447	1 439
Datautstyr og inventar	8	100	407
Sum varige driftsmidler		1 547	1 846
<i>Finansielle anleggsmidler</i>			
Investeringer i datterselskap	14	697	580
Pensjonsmidler	6	4 816	3 844
Sum finansielle anleggsmidler		5 513	4 424
Sum anleggsmidler		8 490	8 139
Omløpsmidler			
<i>Fordringer</i>			
Kundefordringer	15, 16	87 849	114 272
Fordring konsernkontoordning	17	88 517	55 978
Andre kortsiktige fordringer	15, 16	3 575	2 915
Sum fordringer		179 941	173 165
Bankinnskudd, kontanter og lignende	18	6 663	5 481
Sum omløpsmidler		186 604	178 646
Sum eiendeler		195 094	186 785



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Odfjell Engineering AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2023	2022
Egenkapital			
<i>Innskutt egenkapital</i>			
Aksjekapital	13, 19	2 360	2 360
Annen innskutt egenkapital	5, 13	14 415	13 661
Sum innskutt egenkapital		16 775	16 021
<i>Opptjent egenkapital</i>			
Annen egenkapital	13	302	0
Sum egenkapital		17 077	16 021
Gjeld			
<i>Avsetninger for forpliktelser</i>			
Utsatt skatt	12	1 011	747
<i>Kortsiktig gjeld</i>			
Leverandørgjeld	15, 16	26 832	57 618
Skyldige offentlige avgifter		14 055	19 887
Gjeld konsernkontoordning	17	0	0
Annen kortsiktig gjeld	15, 16	136 119	92 512
Sum kortsiktig gjeld		177 006	170 017
Sum gjeld		178 017	170 764
Sum egenkapital og gjeld		195 094	186 785

Bergen, 29. april 2024

Simen Lieungh

Simen Lieungh
Styreleder

Anne Siri Sævareid

Anne Siri Sævareid
Daglig leder

Jone Tørstensen

Jone Tørstensen
Styremedlem

Harald Herid

Harald Asle Hereid
Styremedlem

Frederik Glenjen

Frederik Glenjen
Styremedlem

Kurt W. Holsæter

Kurt W. Holsæter
Styremedlem



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Odfjell Engineering AS

Kontantstrømoppstilling

Beløp vises i tusen kr

	Note	2023	2022
Kontantstrømmer fra operasjonelle aktiviteter			
Resultat før skattekostnad		70 851	53 769
Ordinære avskrivninger	7,8	739	947
Endring i kundefordringer og leverandørgjeld		3 313	30 588
Forskjeller i pensjonsmidler/-forpliktelser	5	-972	-225
Endring i andre tidsavgrensningposter		17 078	14 438
Endring i kortsiktig konsernmellomværende ekskl. konsernbidrag		-3 456	3 757
Kostnad aksjeopsjonsprogram		754	250
Netto kontantstrøm fra operasjonelle aktiviteter		<u>88 307</u>	<u>103 524</u>
Kontantstrømmer fra investeringsaktiviteter			
Utbetalinger ved kjøp av varige driftsmidler		0	-2 336
Utbetalinger ved kjøp av aksjer og andeler i andre foretak	13	<u>0</u>	<u>-30</u>
Netto kontantstrøm fra investeringsaktiviteter		<u>0</u>	<u>-2 366</u>
Kontantstrømmer fra finansieringsaktiviteter			
Netto endring fordring / gjeld konsernkontoordning	16	-32 539	-98 772
Utbetalinger av konsernbidrag		<u>-54 587</u>	<u>-2 613</u>
Netto kontantstrøm fra finansieringsaktiviteter		<u>-87 126</u>	<u>-101 385</u>
Effekt av valutakursendringer på likvider		0	0
Netto endring i likvider i året		1 181	-227
Kontanter og bankinnskudd per 01.01		<u>5 481</u>	<u>5 708</u>
Kontanter og bankinnskudd per. 31.12		<u>6 662</u>	<u>5 481</u>



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Odfjell Engineering AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 1 - Regnskapsprinsipper

Årsregnskapet består av resultatregnskap, balanse, noteopplysninger, kontantstrømoppstilling og er avlagt i samsvar med regnskapslov og god regnskapsskikk i Norge. Norske kroner benyttes som funksjonell og rapporterings valuta i regnskapet.

Selskapet er en del av Odfjell Technology konsernet. Det ultimate morselskap er Odfjell Technology Ltd som har forretningskontor i Aberdeen, Skottland.

Konsernregnskapet er tilgjengelig på selskapets hjemmeside www.odfjelltechnology.com.

Salgsinntekter

Inntekter fra salg av varer resultatføres når levering har funnet sted og det vesentligste av risiko og avkastning er overført.

Inntekter fra salg av tjenester og langsiktige tilvirkingsprosjekter resultatføres i takt med prosjektets fullføringsgrad, når utfallet av transaksjonen kan estimeres på en pålitelig måte. Fremdriften måles som påløpte timer i forhold til totalt estimerte timer. Når transaksjonens utfall ikke kan estimeres pålitelig, vil kun inntekter tilsvarende påløpte prosjektkostnader inntektsføres. I den perioden det blir identifisert at et prosjekt vil gi et negativt resultat, vil det estimerte tapet på kontrakten bli resultatført i sin helhet.

Aksjeopsjoner

Konsernet har aksjeopsjonsprogrammer for selskapets ledelse. Programmene måles til virkelig verdi på tildelingsdatoen. Opsjonsprogrammet for selskapets øverste ledelse er en ordning med oppgjør i aksjer. Virkelig verdi av tildelte opsjoner periodiseres over den periode de ansatte innviner rett til å motta opsjonene, hvilket vil si over den avtalte fremtidige tjenestetiden.

Kostnaden ved aksjebaserte transaksjoner med ansatte innregnes som en kostnad over gjennomsnittlig innvinningsperiode. For transaksjoner som gjøres opp i selskapets egenkapitalinstrumenter (ordninger med oppgjør i aksjer) regnskapsføres verdien av de tildelte opsjonene i perioden som en lønnskostnad i resultatet og med motpost annen innskutt egenkapital.

Arbeidsgiveravgift på opsjoner betalinger innregnes i resultatet over forventet opptjeningsperiode.

Klassifisering og vurdering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter balansedagen, samt poster som knytter seg til varekretsløpet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Anleggsmidler med begrenset økonomisk levetid avskrives planmessig. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Fordringer

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene. I tillegg gjøres det for øvrige kundefordringer en uspesifisert avsetning for å dekke antatt tap.

Valuta

Transaksjoner i annen valuta som er med i resultatregnskapet er omregnet til norske kroner etter gjeldende



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kurs på transaksjonstidspunktet. Pengeposter i utenlandsk valuta er omregnet til norske kroner ved å benytte balansedagens kurs. Ikke-pengeposter som måles til historisk kurs uttrykt i utenlandsk valuta, omregnes til norske kroner ved å benytte valutakursen på transaksjonstidspunktet. Ikke-pengeposter som måles til virkelig verdi uttrykt i utenlandsk valuta, omregnes til valutakursen fastsatt på balansetidspunktet. Valutakursendringer resultatføres løpende i regnskapsperioden.

Varige driftsmidler

Varige driftsmidler balanseføres og avskrives lineært over driftsmidlets forventede levetid. Vesentlige driftsmidler som består av betydelige komponenter med ulik levetid er dekomponert med ulik avskrivningstid for de ulike komponentene. Direkte vedlikehold av driftsmidler kostnadsføres løpende under driftskostnader, mens påkostninger eller forbedringer tillegges driftsmidlets kostpris og avskrives i takt med driftsmidlet. Dersom gjenvinnbart beløp av driftsmiddelet er lavere enn balanseført verdi foretas nedskrivning til gjenvinnbart beløp. Gjenvinnbart beløp er det høyeste av netto salgsverdi og verdi i bruk. Verdi i bruk er nåverdien av de fremtidige kontantstrømmene som eiendelen forventes å generere.

Pensjoner

Pensjonskostnader og pensjonsforpliktelser beregnes etter lineær opptjening basert på forventet sluttlønn. Beregningen er basert på en rekke forutsetninger herunder diskonteringsrente, fremtidig regulering av lønn, pensjoner og ytelser fra folketrygden, fremtidig avkastning på pensjonsmidler samt aktuariemessige forutsetninger om dødelighet og frivillig avgang. Pensjonsmidler er vurdert til virkelig verdi og fratrasket i netto pensjonsforpliktelser i balansen. Endringer i forpliktelsen som skyldes endringer i pensjonsplaner fordeles over antatt gjenværende opptjeningstid. Endringer i forpliktelsen og pensjonsmidlene som skyldes endringer i og avvik i beregningsforutsetningene (estimatendringer) fordeles over antatt gjennomsnittlig gjenværende opptjeningstid hvis avvikene ved årets begynnelse overstiger 10 % av det største av brutto pensjonsforpliktelser og pensjonsmidler.

Skatter

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet og nettoført. Netto utsatt skattefordel balanseføres i den grad det er sannsynlig at denne kan bli nyttiggjort.

Bruk av estimater

Ledelsen har brukt estimater og forutsetninger som har påvirket resultatregnskapet og verdsettelsen av eiendeler og gjeld, samt usikre eiendeler og forpliktelser på balansedagen under utarbeidelsen av årsregnskapet i henhold til god regnskapsskikk.

Note 2 - Driftsinntekter

Beløp vises i tusen kr

	2023	2022
<i>Geografisk fordeling</i>		
Norge og Nordsjøen	556 285	494 343
Storbritannia	1 117	1 756
Dubai	320	2 554
	<u>557 722</u>	<u>498 654</u>

Selskapets driftsinntekter er basert på salg av ingeniørtjenester innenfor olje- og gassindustrien.



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Note 3 - Nærstående transaksjoner - Inntekt fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser. I noten er det delt mellom inntekter i samme konsern og inntekter fra nærstående konsern (samme majoritetsseier), samt inntekter fra joint venture.

Beskrivelse nærstående part	Type transaksjon	2023	2022
OT Ltd Group - konsernselskap	Ingeniørtjenester	7 890	27 020
OD Ltd Group - nærstående part	Ingeniørtjenester	104 917	266 187
OOW AS - joint venture	Ingeniørtjenester	24 291	24 244
Sum		137 098	317 451

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group) samt nærstående til joint venture Odfjell Oceanwind AS (OOW AS).
For kjøp/kostnad fra nærstående parter, se note 10.

Note 4 - Lønnskostnader, antall ansatte, lån til ansatte og godtgjørelse til revisor

Beløp vises i tusen kr

Lønnskostnader	2023	2022
Lønninger	153 093	118 396
Arbeidsgiveravgift	25 213	18 434
Pensjonskostnader, se note 6	14 004	11 910
Andre ytelser	5 205	4 209
Innleid personell fra selskaper i samme konsern	48 308	43 628
Kostnad aksjeopsjonsprogram, se note 5	754	250
Sum	246 576	196 826

Selskapet har i regnskapsåret sysselsatt totalt 166 årsverk.

Gjennomsnittlig antall årsverk	151	151
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Ytelser til ledende personer

	Lønn	Pensjonsutgifter	Andre godtgjørelser
Daglig leder (periode 01.01.23 - 31.12.23)	2 179	146	141

Styret har ikke mottatt godtgjørelse i 2023.

Selskapet er pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne loven.

Godtgjørelse til revisor er fordelt på følgende:	2023	2022
Lovpålagt revisjon	90	80
Merverdiavgift er ikke inkludert i revisjonshonoraret.		



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Note 5 - Aksjebasert betaling

Beløp vises i tusen kr

Konsernet har aksjeopsjonsprogrammer for selskapets ledelse. Programmene måles til virkelig verdi på tildelingsdatoen. Opsjonsprogrammet for selskapets verste ledelse er en ordning med oppgjør i aksjer. Virkelig verdi av tildelte opsjoner periodiseres over den periode de ansatte innviner rett til å motta opsjonene, hvilket vil si over den avtalte fremtidige tjenestetiden.

Kostnaden ved aksjebaserte transaksjoner med ansatte innregnes som en kostnad over gjennomsnittlig innvinningsperiode. For transaksjoner som gjøres opp i selskapets egenkapitalinstrumenter (ordninger med oppgjør i aksjer) regnskapsføres verdien av de tildelte opsjonene i perioden som en lønnskostnad i resultatet og med motpost annen innskutt egenkapital.

Arbeidsgiveravgift på opsjonene innregnes i resultatet over forventet opptjeningsperiode.

Detaljer vedrørende aksjeopsjonsprogrammet:

01. september 2022 implementerte selskapet en langsiktig incentiv plan for ledende ansatte. Totalt 240 000 aksjeopsjoner har blitt tildelt ledende ansatte i selskapet med en innløsningspris på NOK 24,13 per aksjeopsjon.

Aksjeopsjonene kan bare bli utøvd i 3 like deler, i år 2, 3 og 4 etter utstedelsesdato. Aksjeopsjonene kan bli utøvd i etterfølgende år. Aksjeopsjoner som ikke er utøvd i de første 2 årene etter utstedelsesdato kan bli rullert frem til neste år. Aksjeopsjoner som ikke er utøvd innen sluttperioden som er 3. kvartal i 2025, vil bli slettet.

Oversikt utestående aksjeopsjoner	2023	2022
Utestående opsjoner 1.1	240	0
Tildelte opsjoner	0	240
Utestående opsjoner 31.12	240	240

Virkelig verdi på opsjonene er estimert ved hjelp av Black and Scholes opsjonspriseringsmodell. Gjennomsnittlig virkelig verdi av tildelte opsjoner i 2023 er NOK 9,43. Total kostnad på aksjeopsjonsprogrammet er beregnet ved bruk av virkelig verdi per opsjon (NOK 9,43 / pr opsjon) multiplisert med antall opsjoner (240 000). Total kostnad tilsvarer omtrent NOK 2,2 mill. og kostnadsføres over opsjonens levetid, forventet frem til september 2025. Kostnadsført i 2023 tilknyttet aksjeopsjonene er TNOK 754, se note 4.

Følgende forutsetninger er lagt til grunn for beregningen:

Aksjekurs på tildelingstidspunkt

Aksjeprisen er satt lik børskursen på tildelingstidspunktet.

Innløsningskurs pr. opsjon

Innløsningsprisen er NOK 24,13 per opsjon.

Volatilitet

Det er forutsatt at historisk volatilitet er en indikasjon på fremtidig volatilitet. Forventet volatilitet er derfor satt lik historisk volatilitet som tilsvarer en volatilitet på 55 %.



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Opsjonens levetid

Opsjonens forventede løpetid er 3 år.

Utbytte

Forventet utbytte per aksje er NOK 0 pr. år.

Risikofri rente

Risikofri rente som er lagt til grunn for beregning av opsjoner er på 3,67 % for 2023.

Note 6 - Pensjoner

Beløp vises i tusen kr

Selskapet er pliktig til å ha tjenstepensjonsordning etter lov om obligatorisk tjenstepensjon, og selskapet har tjensteordninger som oppfyller kravene etter denne loven.

Selskapet har en åpen kollektiv innskuddsbasert ordning for de ansatte med tilhørende risikodekning av uføre-, ektefelle- og barnepensjon. Denne ordningen omfatter 165 personer pr 31.12.2023 (137 personer pr. 31.12.2022).

Selskapet har i tillegg en lukket kollektiv ytelsesbasert pensjonsordning som omfatter i alt 4 aktive og 10 pensjonister pr. 31.12.23. Ordningen er forsikret i porteføljen til DNB Liv ASA. Ordningen gir rett til definerte fremtidige ytelser. Disse er i hovedsak avhengig av antall opptjeningsår, lønnsnivå ved oppnådd pensjonsalder og størrelsen på ytelsene fra folketrygden. I tilknytning til ytelsesordningen har selskapet risikodekning av uføre-, ektefelle- og barnepensjon.

	2023	2022
Årets pensjonsopptjening	616	652
Rentekostnad av pensjonsforpliktelsen	1 207	551
Avkastning på pensjonsmidler	-1 675	-959
Administrasjonskostnader	354	347
Periodisert arbeidsgiveravgift	71	83
Resultatført estimatavvik	781	653
Netto pensjonskostnad ytelsesordning	1 352	1 327
Kostnad risikodekninger og utløsning gavepensjon	115	115
Kostnad innskuddspensjon inkludert risikodekning	10 201	8 587
Kostnad flerforetaksordning bokført som innskuddsbasert (AFP)	2 336	1 880
Sum total pensjonskostnad	14 004	11 910



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	2023	2022
Påløpte pensjonsforpliktelser pr. 31.12	39 821	38 340
Pensjonsmidler (til markedsverdi) pr. 31.12	-35 482	-33 960
Netto pensjonsforpliktelser pr.31.12 ekskl. arbeidsgiveravgift	4 339	4 380
Arbeidsgiveravgift	612	618
Ikke resultatført virkning av estimatavvik	-9 767	-8 842
Netto balanseført pensjonsforpliktelse (+) /-midler (-)	-4 816	-3 844

Forpliktelser i AFP-ordning

Selskapet er medlem av av AFP-ordningen i privat sektor. AFP-ordningen er en ordning som gir livslangt tillegg på den ordinære pensjonen. De ansatte kan velge å ta ut AFP fra og med fylte 62 år. AFP-ordningen er en ytelsesbasert flerforetakspensjonsordning og finansieres gjennom premier som fastsettes som en prosent av lønn. Regnskapsmessig blir ordningen behandlet som en innskuddsbasert pensjonsordning hvor premiebetalingen kostnadsføres løpende, og ingen avsetning foretas i regnskapet.

I 2022 utgjorde premien 2,6 % av lønn mellom 1G og 7,1G. Premiesatsen for 2022 vil være uendret.

Selskapet har et pensjonsløfte overfor de ansatte på inntil 1G årlig i perioden 62-67 år ved fratredelse av stilling, forutsatt at de tilfredsstiller kravene til å motta AFP. Sannsynligheten for uttak er så lav at forpliktelsen ikke er balanseført. Ved faktisk uttak av gavepensjon blir totalkostnad kostnadsført umiddelbart.

<i>Økonomiske forutsetninger:</i>	2023	2022
Diskonteringsrente	3,20%	1,50%
Forventet avkastning på pensjonsmidlene	4,90%	2,90%
Lønnsregulering/inflasjon	3,75%	2,50%
Regulering av folketrygdens grunnbeløp	3,50%	2,25%

De aktuariemessige forutsetningene er basert på vanlige benyttede forutsetninger innen forsikring når det gjelder demografiske faktorer.



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Note 7 - Immaterielle eiendeler

Beløp vises i tusen kr

	Lisenser
Anskaffelseskost pr 01.01.	1 966
Anskaffelseskost 31.12.	1 966
Akk.avskrivninger 31.12.	-537
Balanseført verdi pr.31.12.	1 430
Årets avskrivninger	440
Økonomisk levetid	3 år
Avskrivningsplan	Lineær

Note 8 - Varige driftsmidler

Beløp vises i tusen kr

	Maskiner og anlegg	Datautstyr og inventar	Sum
Anskaffelseskost 01.01.	1 532	11 883	13 415
Tilgang kjøpte driftsmidler*	184	-184	0
Anskaffelseskost 31.12.	1 716	11 699	13 415
Akk.avskrivning 31.12.	-268	-11 096	-11 364
Akk.nedskr. 31.12.	0	-504	-504
Balanseført pr. 31.12.	1 447	100	1 547
Årets avskrivninger	175	124	299
Økonomisk levetid	3-5 år	3-5 år	
Avskrivningsplan	Lineær	Lineær	

*Flyttet fra datautstyr til maskiner.



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Note 9 - Driftskostnader

Beløp vises i tusen kr

	2023	2022
Innleide tjenester og underleveranser	98 127	179 083
Kontorleie	14 259	2 883
Utstyr, verktøy og IT	51 260	12 274
Administrasjonskostnader	35 335	37 977
Leie av utstyr og maskiner	1 657	1 301
Andre driftskostnader inkludert reise- og kurskostnader	39 815	10 012
Sum	240 453	243 530

Note 10 - Nærstående transaksjoner - kjøp/kostnad fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser.

Beskrivelse nærstående part	Type transaksjon	2023	2022
OT Ltd Group - konsernselskap	Leie personell/support tjenest	66 978	39 133
OT Ltd Group - konsernselskap	Innleie personell	66 704	44 473
OD Ltd Group - nærstående part	Management tjenester og lokale	9 412	4 265
Sum		143 094	87 871

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group) samt nærstående til joint venture Odfjell Oceanwind AS (OOW AS).

Note 11 - Finansinntekter og kostnader

Beløp vises i tusen kr

Finansinntekter	2023	2022
Renteinntekter	1 337	279
Netto valutagevinst	139	0
Andre finansinntekter	0	2
Sum finansinntekter	1 477	282
Finanskostnader	2023	2022
Rentekostnader	-525	-421
Netto valutatap	0	-3 417
Andre finanskostnader	-54	-25
Sum finanskostnader	-579	-3 864

Selskapets policy er å redusere eksponeringen for svigningen i valutakurser ved å søke en best mulig balanse mellom innbetalinger og utbetalinger i samme valuta.



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Note 12 - Skatt

Beløp vises i tusen kr

<i>Årets skattekostnad fordeler seg på:</i>	2023	2022
Betalbar skatt	15 488	11 899
Endring utsatt skatt	265	125
Årets totale skattekostnad	<u>15 753</u>	<u>12 024</u>
 <i>Beregning av årets skattegrunnlag:</i>	 2023	 2022
Ordinært resultat før skattekostnad	70 851	53 769
Permanente forskjeller	754	391
Endring i midlertidige forskjeller	<u>-1 204</u>	<u>-73</u>
Alminnelig inntekt	70 401	54 087
Ytet konsernbidrag	<u>-70 401</u>	<u>-54 087</u>
Årets skattegrunnlag	<u>0</u>	<u>0</u>
Betalbar skatt (22%) av årets skattegrunnlag	0	0
 <i>Oversikt over midlertidige forskjeller</i>	 2023	 2022
Driftsmidler inkl goodwill	-218	-451
Netto pensjonsmidler	<u>4 816</u>	<u>3 844</u>
Netto midlertidige forskjeller pr 31.12	<u>4 598</u>	<u>3 393</u>
 Utsatt skattefordel/Utsatt skatt (22%)	 1 011	 747
 <i>Oversikt over permanente forskjeller</i>	 2023	 2022
Ikke fradragsberettigede representasjonskostnader		85
Ikke fradragsberettigede kontingenter	0	56
Kostnad aksjeopsjoner	<u>754</u>	<u>250</u>
Sum permanente forskjeller	<u>754</u>	<u>391</u>
 <i>Forklaring til hvorfor årets skattekostnad ikke utgjør 22% av resultat før skatt</i>	 2023	
22% skatt av resultat før skatt	15 587	
Permanente forskjeller (22%)	<u>166</u>	
Beregnet skattekostnad	<u>15 753</u>	
 Effektiv skattesats *)	 22,2 %	

*) Skattekostnad i forhold til resultat før skatt



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Note 13 - Egenkapital

Beløp vises i tusen kr

	Aksjekapital	Annen innskutt egenkapital	Annen egenkapital	Sum
Egenkapital 01.01.	2 360	13 661	0	16 021
Årsresultat	0	0	55 098	55 098
Avgitt konsernbidrag	0	0	-54 796	-54 796
Aksjeopsjonsprogram, se note 5	0	754	0	754
Egenkapital 31.12.	2 360	14 415	302	17 077

Selskapet har avgitt brutto konsernbidrag på NOK 49,640 millioner med skattefradrag til søsterselskap Odfjell Offshore Ltd, også avgitt brutto konsernbidrag på NOK 20,611 millioner med skattefradrag til søsterselskap Odfjell Operations AS og avgitt brutto konsernbidrag på NOK 149,5 tusen med skattefradrag til datterselskap Odfjell Energy Crewing AS.

Note 14 - Datterselskap, tilknyttet selskap m v

Beløp vises i tusen kr

Selskap	Kontor	Eier- andel	Stemme- andel	Resultat 2023	Egenkapital pr. 31.12	Bokført verdi pr. 31.12
Odfjell Energy Crewing AS	Kokstad	100 %	100 %	-116	531	697

Datterselskap er forventet å generere overskudd i fremtiden, og bokført verdi anses å være i behold.



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Note 15 - Fordringer og gjeld

Beløp vises i tusen kr

<i>Kundefordringer</i>	2023	2022
Kundefordringer - ekstern, brutto	61 743	84 403
Kundefordringer - konsern, se note 16	26 106	29 869
Sum	<u>87 849</u>	<u>114 272</u>
 <i>Andre fordringer</i>	 2023	 2022
Andre forskuddsbetalinger	2 563	2 510
Sykepenger	453	356
Merverdiavgift	559	0
Andre kortsiktige fordringer konsern, se note 16	0	49
Sum	<u>3 575</u>	<u>2 915</u>
 <i>Leverandørgjeld</i>	 2023	 2022
Leverandørgjeld - ekstern	-13 501	-48 036
Leverandørgjeld - konsern, se note 16	-13 331	-9 582
Sum	<u>-26 832</u>	<u>-57 618</u>
 <i>Annen kortsiktig gjeld</i>	 2023	 2022
Forskuddsbetalinger fra kunder	-39 400	-152
Kortsiktig gjeld konsern, se note 16	-80 836	-60 851
Andre påløpte kostnader og kortsiktig gjeld	4 084	-15 997
Påløpte lønnskostnader, overtid og feriepenger	-19 965	-15 512
Sum	<u>-136 119</u>	<u>-92 512</u>

Det er ikke resultatført noe til konstaterte tap på kundefordringer i 2022. Se også note 16 for konserninterne fordringer.



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Odfjell Engineering AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 16 - Mellomværende med selskap i samme konsern og tilknyttet selskap m.v

Beløp vises i tusen kr

Fordringer og gjeld mellom konsernselskaper (samme konsern) og konsernselskaper (nærstående konsern) knytter seg til den løpende drift og konsernbidrag. Konsernmellomværende er gjengitt på egne linjer i balansen.

<i>Kortsiktige driftsrelaterte fordringer</i>	2023	2022
OT Ltd Group - konsernselskap	2 150	1 024
OD Ltd Group - nærstående part	23 956	28 894
Sum driftsrelaterte fordringer	26 106	29 918
<i>Kortsiktige driftsrelatert gjeld</i>	2023	2022
OT Ltd Group - konsernselskap	-23 070	-15 611
OD Ltd Group - nærstående part	-994	-235
Sum driftsrelatert gjeld	-24 063	-15 846
<i>Konsernbidrag</i>	2023	2022
Odfjell Operations AS - avgitt konsernbidrag	-20 612	
Odfjell Offshore Ltd - avgitt konsernbidrag	-49 640	-54 023
Odfjell Energy Crewing AS - avgitt konsernbidrag	-150	-564
Sum konsernbidrag: mottatt + / avgitt -	-70 401	-54 587
<i>Kortsiktige driftsrelaterte fordringer - joint venture</i>	2023	2022
OOW AS - joint venture	3 440	462
Sum driftsrelaterte fordringer - joint venture	3 440	462

Konsernets kortsiktige mellomværende forfaller til betaling innen ett år etter regnskapsårets utgang.

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group) samt nærstående til joint venture Odfjell Oceanwind AS (OOW AS).

Note 17 - Konsernkontoordning

Beløp vises i tusen kr

Selskapets driftskontoer inngår i konsernkontoordning hvor Odfjell Technology Ltd per 31.12.2022 er konsernkontoeier og således eier av bankmidlene. Konsernkontosystemet er opprettet for å bidra til en optimal likviditetsstyring i Odfjell Technology Ltd. konsernet. Selskapet har solidaransvar for innskudd i konsernkontoordning, og har ikke separatistrettighet for midler som inngår i konsernkontoordningen. Netto innestående på konsernkontoordningen klassifiseres som annen kortsiktig fordring i balansen, mens netto trekk er klassifisert som annen kortsiktig gjeld og er vist på egen linje i balansen.

	2023	2022
Bankinnskudd / - trekk NOK	95 390	56 538
Bankinnskudd / - trekk USD	750	-788
Bankinnskudd / - trekk GBP	914	227
Bankinnskudd / - trekk EUR	-8 537	0
Netto fordring/ -gjeld konsernkontoordning	88 517	55 978



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Odfjell Engineering AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 18 - Bankinnskudd

Beløp vises i tusen kr

	2023
Bundne skattetrekksmidler utgjør	6 662

Note 19 - Aksjekapital og aksjonærinformasjon

Balanseført i tusen kr

Aksjekapitalen består av:

	Antall	Pålydende	Balanseført
Ordinære aksjer	2 359 729	1	2 360

Oversikt over aksjonærene i selskapet pr. 31.12:

	Ordinære aksjer	Eierandel	Stemmeandel
Odfjell Platform Drilling AS	2 359 729	100 %	100 %

Alle aksjer i selskapet tilhører samme aksjeklasse, og har like stemmerettigheter

Konsernspiss i Odfjell Technology-konsernet er Odfjell Technology Ltd., hvor selskapet inngår i konsolideringen. Konsernregnskapet er tilgjengelig på selskapets hjemmeside www.odfjelltechnology.com.

Note 20 - Pant, sikkerhets- og garantistillelse

Konsernet Odfjell Technology har fellesregistrering knyttet til merverdiavgift for konsernets avgiftsregistrerte foretak. Selskapet inngår i denne fellesregistreringen og er således solidarisk ansvarlig for skyldig merverdiavgift i Norge.

Se også note 17 for omtale av solidaransvar for innskudd i konsernkontoordningen.



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Kanalveien 11
P.O. Box 4 Kristianborg
N-5822 Bergen

Telephone +47 45 40 40 63
Internet www.kpmg.no
Enterprise 935 174 627 MVA

Til generalforsamlingen i Odfjell Engineering AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert årsregnskapet for Odfjell Engineering AS som består av balanse per 31. desember 2023, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2023, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke informasjonen i årsberetningen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder

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Statsautoriserede revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodø	Knaresund	Stord	Ålesund
Drammen	Kristiansund	Straume	

Penneo Dokumentnøkkel: PMUJ8-4YEV-KY5KC-KE3MC-IMIWP-8PU84



vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av intern kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifierer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.

Bergen

KPMG AS

Ståle Christensen
Statsautorisert revisor
(elektronisk signert)

Penneo Dokumentnøkkel: PMUJ8-4YEV-KY5KC-KE3MC-IMWP-8PU84



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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Christensen, Ståle

Partner

På vegne av: KPMG AS

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IP: 80.232.xxx.xxx

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ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	991 491 252
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ODFJELL ENGINEERING AS
Forretningsadresse:	Kokstadflaten 35 5257 KOKSTAD

Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
-------------------------	-------------------------

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Thomas Pettersen
Dato for fastsettelse av årsregnskapet:	03.05.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 18.02.2025



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		491 640 000	319 549 000
Annen driftsinntekt		7 014 000	5 331 000
Sum inntekter	2, 3	498 654 000	324 880 000
Kostnader			
Lønnskostnad	4, 5, 6	196 826 000	136 817 000
Avskrivning	7, 8	947 000	2 353 000
Annen driftskostnad	9, 10	243 530 000	174 333 000
Sum kostnader		441 303 000	313 503 000
Driftsresultat		57 351 000	11 377 000
Finansinntekter og finanskostnader			
Finansinntekt	11	282 000	6 000
Sum finansinntekter		282 000	6 000
Finanskostnad	11	3 864 000	1 370 000
Sum finanskostnader		3 864 000	1 370 000
Netto finans		-3 582 000	-1 364 000
Ordinært resultat før skattekostnad		53 769 000	10 013 000
Skattekostnad på ordinært resultat	12	12 024 000	2 656 000
Ordinært resultat etter skattekostnad		41 745 000	7 357 000
Årsresultat	20	41 745 000	7 357 000
Overføringer og disponeringer			
Avgitt konsernbidrag	13	42 138 000	
Udekket tap	13		7 357 000
Overføringer annen egenkapital	13	-393 000	
Sum overføringer og disponeringer		41 745 000	7 357 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Lisenser	7	1 869 000	
Goodwill	7		496 000
Sum immaterielle eiendeler		1 869 000	496 000
Varige driftsmidler			
Maskiner og anlegg	8	1 439 000	
Datautstyr og inventar	8	407 000	1 830 000
Sum varige driftsmidler		1 846 000	1 830 000
Finansielle anleggsmidler			
Investering i datterselskap	14	580 000	
Pensjonsmidler	6	3 844 000	3 619 000
Sum finansielle anleggsmidler		4 424 000	3 619 000
Sum anleggsmidler		8 139 000	5 944 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	15, 16	114 272 000	110 804 000
Andre kortsiktige fordringer	15, 16	2 915 000	6 550 000
Sum fordringer	17	173 164 000	117 354 000
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	18	5 481 000	5 708 000
Sum omløpsmidler		178 645 000	123 062 000
SUM EIENDELER		186 784 000	129 006 000

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2022	2021
Egenkapital			
Innskutt egenkapital			
Aksjekapital	13, 19	2 360 000	2 360 000
Annen innskutt egenkapital	5, 13	13 661 000	69 249 000
Sum innskutt egenkapital		16 021 000	71 608 000
Opptjent egenkapital			
Annen egenkapital	13, 13		-55 444 000
Sum opptjent egenkapital			-55 444 000
Sum egenkapital		16 021 000	16 164 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	12	747 000	621 000
Sum avsetninger for forpliktelser		747 000	621 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		747 000	621 000
Kortsiktig gjeld			
Leverandørgjeld	15, 16	57 618 000	23 562 000
Betalbar skatt	12	0	0
Skyldige offentlige avgifter		19 886 000	9 816 000
Annen kortsiktig gjeld	15, 16	92 513 000	36 048 000
Sum kortsiktig gjeld	17	170 017 000	112 221 000
Sum gjeld		170 764 000	112 842 000
SUM EGENKAPITAL OG GJELD		186 784 000	129 006 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 482049

Enheten

Organisasjonsnummer: 991 491 252
Organisasjonsform: Aksjeselskap
Foretaksnavn: ODFJELL ENGINEERING AS
Forretningsadresse: Kokstadflaten 35
5257 KOKSTAD

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av
årsregnskapet til konsernet: -

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Thomas Pettersen
Dato for fastsettelse av årsregnskapet: 03.05.2023

Grunnlag for avgivelse

År 2022: Årsregnskap er elektronisk innlevert.
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 20.06.2023



Organisasjonsnr: 991 491 252
ODFJELL ENGINEERING AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		491 640 000	319 549 000
Annen driftsinntekt		7 014 000	5 331 000
Sum inntekter	2, 3	498 654 000	324 880 000
Kostnader			
Lønnskostnad	4, 5, 6	196 826 000	136 817 000
Avskrivning	7, 8	947 000	2 353 000
Annen driftskostnad	9, 10	243 530 000	174 333 000
Sum kostnader		441 303 000	313 503 000
Driftsresultat		57 351 000	11 377 000
Finansinntekter og finanskostnader			
Finansinntekt	11	282 000	6 000
Sum finansinntekter		282 000	6 000
Finanskostnad	11	3 864 000	1 370 000
Sum finanskostnader		3 864 000	1 370 000
Netto finans		-3 582 000	-1 364 000
Ordinært resultat før skattekostnad			
Skattekostnad på ordinært resultat	12	12 024 000	2 656 000
Ordinært resultat etter skattekostnad		41 745 000	7 357 000
Årsresultat	20	41 745 000	7 357 000
Overføringer og disponeringer			
Avgitt konsernbidrag	13	42 138 000	
Udekket tap	13		7 357 000
Overføringer annen egenkapital	13	-393 000	
Sum overføringer og disponeringer		41 745 000	7 357 000



Organisasjonsnr: 991 491 252
ODFJELL ENGINEERING AS

BALANSE

Beløp i: NOK	Note	2022	2021
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BALANSE - EIENDELER

Anleggsmidler

Immaterielle eiendeler

Lisenser	7	1 869 000	
Goodwill	7		496 000
Sum immaterielle eiendeler		1 869 000	496 000

Varige driftsmidler

Maskiner og anlegg	8	1 439 000	
Datautstyr og inventar	8	407 000	1 830 000
Sum varige driftsmidler		1 846 000	1 830 000

Finansielle anleggsmidler

Investering i datterselskap	14	580 000	
Pensjonsmidler	6	3 844 000	3 619 000
Sum finansielle anleggsmidler		4 424 000	3 619 000

Sum anleggsmidler		8 139 000	5 944 000
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Omløpsmidler

Varer

Fordringer

Kundefordringer	15, 16	114 272 000	110 804 000
Andre kortsiktige fordringer	15, 16	2 915 000	6 550 000
Sum fordringer	17	173 164 000	117 354 000

Bankinnskudd, kontanter og lignende

Sum bankinnskudd, kontanter og lignende	18	5 481 000	5 708 000
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Sum omløpsmidler		178 645 000	123 062 000
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SUM EIENDELER		186 784 000	129 006 000
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BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Aksjekapital	13, 19	2 360 000	2 360 000
Annen innskutt egenkapital	5, 13	13 661 000	69 249 000
Sum innskutt egenkapital		16 021 000	71 608 000

Opptjent egenkapital



Annen egenkapital	13, 13		-55 444 000
Sum opptjent egenkapital			-55 444 000
Sum egenkapital		16 021 000	16 164 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	12	747 000	621 000
Sum avsetninger for forpliktelser		747 000	621 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		747 000	621 000
Kortsiktig gjeld			
Leverandørgjeld	15, 16	57 618 000	23 562 000
Betalbar skatt	12	0	0
Skyldige offentlige avgifter		19 886 000	9 816 000
Annen kortsiktig gjeld	15, 16	92 513 000	36 048 000
Sum kortsiktig gjeld	17	170 017 000	112 221 000
Sum gjeld		170 764 000	112 842 000
SUM EGENKAPITAL OG GJELD		186 784 000	129 006 000



Organisasjonsnr: 991 491 252
ODFJELL ENGINEERING AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
19

Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Ordinære aksjer	2359729.00	1.00	2359729.00
<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
Odfjell Platform Drilling AS	2359729.00	100.00%	Ordinære aksjer
<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	2359729.00	100.00%	

Alle aksjer i selskapet tilhører samme aksjeklasse, og har like stemmerettigheter. Konsernspiss i Odfjell Technology-konsernet er Odfjell Technology Ltd., hvor selskapet inngår i konsolideringen. Konsernregnskapet er tilgjengelig på selskapets hjemmeside www.odfjelltechnology.com.

Note
4

Lønn og ytelser

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	118395825000.00	99042079000.00
<u>Arbeidsgiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	18433532000.00	15065127000.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	11909928000.00	10655302000.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	48086623000.00	12054683000.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	196825908000.00	136817191000.00

Ytelser til daglig leder



Note

Ytelser til andre ledende personer

<u>Ledende person</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
Daglig leder (periode 19.10.22 - 31.12.22) *	385045000.00	44772000.00	26759000.00
<u>Sum ytelse andre led.pers.</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
	385045000.00	44772000.00	26759000.00

*Daglig leder var frem til 19.10.2022 ansatt i morselskapet Odfjell Platform Drilling AS og er lønnet derfra. Kostnadene knyttet til daglig leder inngår i kostnadsbelastning fra Odfjell Platform Drilling AS. Styret har ikke mottatt godtgjørelse i 2022. Selskapet er pliktig til å ha tjenstepensjonsordning etter lov om obligatorisk tjenstepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne loven.

Note

Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	80000000.00	68500000.00
<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	80000000.00	68500000.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
142.00

Note

Lån og sikkerhetsstillelse til ledende personer og aksjeeiere

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

Note

14

Konsern, tilknyttet selskap og datterselskap

Tilknyttet selskap/datterselskap

<u>Navn og adresse</u>	<u>Eierandel</u>	<u>Stemmeandel</u>	<u>Egenkapital</u>	<u>Resultat</u>
------------------------	------------------	--------------------	--------------------	-----------------



Odfjell Energy Crewing AS	100.00%	100.00%	530213.00	-49920.00
------------------------------	---------	---------	-----------	-----------

Datterselskap er forventet å generere overskudd i fremtiden, og bokført verdi anses å være i behold.
Virksomheten inngår i konsolideringen til morselskapets konsernregnsk.: Nei

Datterselskap er utelatt fra konsolideringen: Nei

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
---------------------	------------------	------------------	----------------

<u>Skattemessig fremf.undersk.</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Kortsiktig gjeld</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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Odfjell Engineering AS

Årsrapport for 2022

Årsberetning

Årsregnskap

- Resultatregnskap
- Balanse
- Kontantstrømoppstilling
- Noter

Revisjonsberetning



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Odfjell Engineering AS

Årsberetning 2022

Odfjell Engineering AS

Adresse: Kokstadflaten 35, 5257 Kokstad

Org.nr: 991 491 252 MVA

Virksomhetens art

Odfjell Engineering AS driver innenfor områdene ingeniørtjenester, kompetanse og teknologi. Selskapet er lokalisert i Bergen.

Fremtidig utvikling

Selskapet hadde en god omsetning i 2022, med en økning i omsetning fra 2021 på omlag MNOK 174, hovedsakelig forklart ved en jevn økning i etterspørsel etter selskapets tjenester og vi har sett i løpet av 2022 at oljeservicemarkedet har utviklet seg positivt, med økende antall aktive rigger og boreoperasjoner globalt. Selskapet har gjennom 2022 jobbet med effektiviseringstiltak, justering og tilpasning av ressursbasen, slik at kompetanse og kostnadsnivået stemmer med aktivitetsnivået. Vi ser også at nye forretningsprodukter og tjenester som ble etablert i 2021, har gitt positiv påvirkning på omsetning og resultat i 2022. Videre er det et satsningsområde i konsernet for prosjekter og ingeniørtjenester og vi ønsker å vokse i ingeniørmarkedet både for eksisterende kunder og leveranser og mot nye muligheter innenfor det grønne skiftet. Vi forventer økt etterspørsel etter våre tjenester i årene fremover, på bakgrunn av økt aktivitet innen olje- og gass parallelt med utviklingen som skjer innenfor det grønne skiftet.

Skattepakken som regjeringen introduserte for å stimulere til høyere aktivitet på norsk sokkel har gitt økt arbeid generelt i bransjen. Dette har indirekte ført til en økning i aktivitet også for selskapet. Videre ser vi at perioden frem til 2024 vil være preget av et økende behov for støtte til klassing av mobile rigger som vil gi en stabil prosjektbasert omsetning for deler av ressurs basen samt vil kunne være en bidragsyter til å få nye tjenester introdusert til kundene, eksempelvis integritetstjenester.

Selskapet har observert at effekten av COVID 19 har avtatt i løpet av 2022 og at vi går mot en normalisering, men vi vil fortsette å overvåke situasjonen og videreføre tiltak som eventuelt blir påkrevd av myndighetene.

Aktuell ordresreserve samt ingen signaler fra kunde om bruk av force majeure klausuler, gjør sitt til at selskapet i begrenset grad vurderes eksponert for bortfall av inntekter. Selskapet vil jobbe aktivt for å opprettholde omsetning i årene fremover. Det presiseres at det alltid vil være knyttet usikkerhet til fremtidig utvikling.

Styret mener at det fremlagte årsregnskapet gir et rettviseende bilde over utviklingen og resultatet av foretakets virksomhet og stilling.



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Odfjell Engineering AS

Resultat, investeringer, finansiering og likviditet

Selskapets omsetning i 2022 var NOK 498,6 mill. mot NOK 324,9 mill. i 2021. Årets overskudd var NOK 41,7 mill. mot overskudd på NOK 7,4 mill. i 2021. Effektiviseringstiltak og utvikling av nye forretningsprodukter og tjenester påvirket marginene i året.

Selskapets likviditetsbeholdning pr 31.12.2022 var NOK 5,4 mill. mot NOK 5,7 mill. pr 31.12.2021. Reduksjonen i 2022 skyldes hovedsakelig økte fordringer på konsernselskap. Selskapets kortsiktige gjeld pr 31.12.2022 var NOK 170,7 mill. mot NOK 112,2 mill. pr 31.12.2021. Arbeidskapitalen var NOK 7,8 mill. pr 31.12.2022 og NOK 10,8 mill. pr 31.12.2021.

Totalkapital pr 31.12.2022 var NOK 186,7 mill. mot NOK 129 mill. pr 31.12.2021. Selskapets egenkapital og egenkapitalandel pr 31.12.2022 var henholdsvis NOK 16,0 mill. og 8,5%, mot NOK 16,2 mill. og 12,5 % pr 31.12.2021. Selskapet avga i 2022 et skattepliktig konsernbidrag til Odfjell Offshore Ltd på NOK 54,0 millioner etter skatt, skattepliktig konsernbidrag til datterselskap Odfjell Energy Crewing AS på NOK 64 tusen og et konsernbidrag uten skatt til datterselskap Odfjell Energy Crewing AS på NOK 500 tusen. Selskapets styre mener at egenkapitalandelen er tilfredsstillende sett i forhold til selskapets stilling og drift.

Kontantstrøm fra operasjonelle aktiviteter var i 2022 positiv NOK 60,5 mill. mot negativ NOK 8,9 mill. i 2021. Forskjellen mellom driftsresultat og kontantstrøm fra operasjonelle aktiviteter skyldes hovedsakelig endring i arbeidskapital. Det var negativ kontantstrøm fra investeringsaktiviteter i 2022 på NOK 2,3 mill. (negativ NOK 1,5 mill. i 2021). Kontantstrøm fra finansieringsaktiviteter var negativ med NOK 58,3 mill. (negativ med NOK 0,3 mill. i 2021).

Det er ikke inntrådt forhold etter regnskapsårets utgang som er av vesentlig betydning ved bedømmelse av selskapets resultat og stilling.

Finansiell risiko

Selskapet vurderes å ha en lav eksponering for valutarisiko da en uvesentlig del av inntektene blir oppgjort i fremmed valuta. Dersom dette endrer seg vil selskapet kontinuerlig vurdere å redusere valutarisiko på kontrakter som løper i utenlandsk valuta ved å inngå valutaterminkontrakter for å sikre inntektsstrømmen omregnet i norske kroner. Det er ikke inngått valutasikringskontrakter i 2022. Likvide midler og gjeld er hovedsakelig i NOK. Selskapet er således eksponert mot endring i rentenivået i NOK. Risiko er knyttet til netto gjeldsposisjon og vurderes til å være begrenset.

Markedsrisiko

Størstedelen av selskapets virksomhet er knyttet til modifikasjonsprosjekter og inspeksjon som i sin natur gir en begrenset ordreserve. Selskapets hovedrisiko er følgelig knyttet til tilgang av nye prosjekter, god planlegging og effektiv utnyttelse av selskapets ingeniørressurser, inspektører og feltarbeidere. Videre ser vi at tilgang på ressurser, både faste og fleksible, kan stramme seg til i 2023 og igjen medføre til lavere vekst enn budsjett.

Kredittrisiko

Risiko for at motparten ikke har økonomisk evne til å oppfylle sine forpliktelser anses som lav, da det historisk har vært lite tap grunnet manglende betalingsevne og kunder stort sett er selskaper med tilfredsstillende likviditet.

Likviditetsrisiko

Selskapet vurderer likviditetsrisiko som begrenset, og det er ikke besluttet å innføre tiltak som endrer likviditetsrisiko.

Fortsatt drift

Årsoppgjøret er avlagt under forutsetning om fortsatt drift. I samsvar med regnskapsloven § 3-3a bekreftes det at forutsetningene om fortsatt drift er til stede. Til grunn for antagelsen ligger resultatprognoser og selskapets langsiktige strategiske prognoser for årene fremover. Selskapet har en god økonomisk og finansiell stilling.



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Odfjell Engineering AS

Arbeidsmiljø

Styret anser arbeidsmiljøet som tilfredsstillende, og har ikke iverksatt spesielle tiltak på dette området i 2022. Arbeidsmiljøet i Odfjell Engineering AS anses for å være bra, noe som avdekkes gjennom årlige organisasjon- og arbeidsmiljøundersøkelser for ansatte i selskapet. Gjennom undersøkelsene får selskapet verdifull informasjon om hvordan ansatte opplever arbeidsoppgaver, arbeidsprosesser, arbeidsmengde, sosialt samspill og ledelse. Den gir også informasjon om hva som krever ytterlig fokus og virkninger av forbedringstiltak. Det er et viktig verktøy for å fremme og videreutvikle et godt arbeidsmiljø. Det ble gjennomført egen arbeidsmiljøundersøkelse i Odfjell Technology-konsernet høsten 2022 og tiltak som settes i verk som følge av denne undersøkelsen vil bli prioritert videre i 2023.

Ved utgangen av 2022 var det 141 ansatte i Odfjell Engineering AS, hvor 118 var menn og 23 var kvinner. Totalt var det et sykefravær i selskapet på 2,6 % mot 3,4 % i 2021. Det er ikke rapportert om skader eller ulykker på arbeidsplassen.

Likestilling

Selskapet har innarbeidet policy som tar sikte på at det ikke forekommer forskjellsbehandling grunnet kjønn. Kvinneandelen i selskapet er 16 % pr. 31.12.2022, mot 14 % pr 31.12.2021.

Diskriminering

Selskapet arbeider aktivt for å forhindre diskriminering som følge av nedsatt funksjonsevne, etnisitet, nasjonal opprinnelse, hudfarge, religion eller livssyn. Aktivitetene omfatter blant annet rekruttering, lønns- og arbeidsvilkår, forfremmelse, utviklingsmuligheter og beskyttelse mot trakassering. Odfjell Engineering AS har som målsetning å reflektere befolkningen i nærområdet. Redegjørelse i henhold til Likestillings- og diskrimineringsloven §26 er tilgjengelig på Odfjell Technology's offentlige website; www.odfjelltechnology.com.

Som et ledd i selskapets "Human Right Policy" er det også vedtatt forbud mot alle former for tvangsarbeid eller barnarbeid. All Odfjell Technology's aktivitet skal være i samsvar med internasjonalt anerkjente arbeidsstandarder innenfor områder som lønn, arbeidstid, disiplinære metoder, arbeidsavtaler og arbeidsforhold. Tilsvarende krav skal også håndheves gjennom kontrakter med leverandører, samarbeidspartnere, agenter etc. Konsernet jobber med å ferdigstille «Human rights policy» i henhold til ikrafttredelse av den nye Åpenhetsloven av 1. juli 2022, som vil være klar innen 30. juni 2023 og vil da være tilgjengelig på Odfjell Technology's offentlige website; www.odfjelltechnology.com.

Ytre miljø

Virksomheten er sertifisert til ISO 14001, og alt arbeid risiko vurderes i forhold til potensielle påvirkninger på ytre miljø. Virksomheten har i 2022 ikke registrert forurensning eller utslipp som kan være til skade for det ytre miljø. For ytterligere detaljer om HMS og bærekraft vises det til Odfjell Technologys årsrapport og ESG årsrapport.

Styreansvarsforsikring

Det er tegnet forsikring på konsernnivå for styrets medlemmer og daglig leder for deres mulige ansvar overfor selskapet og tredjepersoner. Forsikringen er begrenset til MNOK 75 per år og per hendelse.

Simen Lieungh

Simen Lieungh
Daglig leder

Harald Asle Hereid
Styremedlem

Bergen, 24. april 2023
Styret i Odfjell Engineering AS

Anne Siri Sævareid
Daglig leder

Frederik Glenjen
Styremedlem

Jone Tørstensen

Jone Tørstensen
Styremedlem

Kurt W. Holsæter
Styremedlem



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Odfjell Engineering AS

Resultatregnskap

Beløp vises i tusen kr

	Note	2022	2021
Driftsinntekter			
Driftsinntekter	2, 3	498 654	324 880
Driftskostnader			
Lønnskostnad	4, 5, 6	196 826	136 816
Avskrivning	7, 8	947	2 353
Annen driftskostnad	9, 10	243 530	174 333
Sum driftskostnader		<u>441 303</u>	<u>313 502</u>
Driftsresultat		<u>57 351</u>	<u>11 378</u>
Finansinntekter og finanskostnader			
Finansinntekt	11	281	6
Finanskostnad	11	3 863	1 371
Netto finansposter		<u>-3 582</u>	<u>-1 365</u>
Ordinært resultat før skattekostnad		<u>53 769</u>	<u>10 013</u>
Skattekostnad på ordinært resultat	12	<u>12 024</u>	<u>2 656</u>
Årsresultat		<u>41 745</u>	<u>7 357</u>
Overføringer og disponeringer			
Avgitt konsernbidrag	13	42 138	0
Overføringer annen egenkapital	13	-393	0
Udekket tap	13	0	7 357
Sum disponert		<u>41 745</u>	<u>7 357</u>



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Odfjell Engineering AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2022	2021
Anleggsmidler			
<i>Immaterielle eiendeler</i>			
Lisenser	7	1 869	0
Goodwill	7	0	496
Sum immaterielle eiendeler		1 869	496
<i>Varige driftsmidler</i>			
Maskiner og anlegg	8	1 439	0
Datautstyr og inventar	8	407	1 830
Sum varige driftsmidler		1 846	1 830
<i>Finansielle anleggsmidler</i>			
Investeringer i datterselskap	14	580	0
Pensjonsmidler	6	3 844	3 619
Sum finansielle anleggsmidler		4 424	3 619
Sum anleggsmidler		8 139	5 945
Omløpsmidler			
<i>Fordringer</i>			
Kundefordringer	15, 16	114 272	110 805
Fordring konsernkontoordning	17	55 978	0
Andre kortsiktige fordringer	15, 16	2 915	6 550
Sum fordringer		173 165	117 355
Bankinnskudd, kontanter og lignende	18	5 481	5 708
Sum omløpsmidler		178 646	123 063
Sum eiendeler		186 785	129 008



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Odfjell Engineering AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2022	2021
Egenkapital			
<i>Innskutt egenkapital</i>			
Aksjekapital	13, 19	2 360	2 360
Annen innskutt egenkapital	5, 13	13 661	69 249
Sum innskutt egenkapital		16 021	71 609
<i>Opptjent egenkapital</i>			
Udekket tap	13	0	-55 444
Sum egenkapital		16 021	16 165
Gjeld			
<i>Avsetninger for forpliktelser</i>			
Utsatt skatt	12	747	621
<i>Kortsiktig gjeld</i>			
Leverandørgjeld	15, 16	57 618	23 561
Skyldige offentlige avgifter		19 887	9 817
Gjeld konsernkontoordning	17	0	42 795
Annen kortsiktig gjeld	15, 16	92 512	36 049
Sum kortsiktig gjeld		170 017	112 222
Sum gjeld		170 764	112 843
Sum egenkapital og gjeld		186 785	129 008
 <i>Simen Lieungh</i> <i>Børge S. Sævi</i> <i>Jone Tørstensen</i>			
 Beregnet 24. april 2023			
Simen Lieungh	Anne Siri Sævi	Jone Tørstensen	
Harald Asle Hereid	Frederik Glenjen	Styremedlem	
Harald Asle Hereid	Frederik Glenjen	Kurt W. Holsæter	
Styremedlem	Styremedlem	Styremedlem	



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Odfjell Engineering AS

Kontantstrømoppstilling

Beløp vises i tusen kr

	Note	2022	2021
Kontantstrømmer fra operasjonelle aktiviteter			
Resultat før skattekostnad		53 769	10 013
Ordinære avskrivninger	6, 7	947	2 353
Endring i kundefordringer og leverandørgjeld		30 588	11 786
Forskjeller i pensjonsmidler/-forpliktelser	5	-225	-140
Endring i andre tidsavgrensningposter		14 438	7 795
Endring i kortsiktig konsernmellomværende ekskl. konsernbidrag		3 757	-40 662
Kostnad aksjeopsjonsprogram		250	0
Netto kontantstrøm fra operasjonelle aktiviteter		103 524	-8 855
Kontantstrømmer fra investeringsaktiviteter			
Utbetalinger ved kjøp av varige driftsmidler		-2 336	-1 521
Utbetalinger ved kjøp av aksjer og andeler i andre foretak	13	-30	0
Netto kontantstrøm fra investeringsaktiviteter		-2 366	-1 521
Kontantstrømmer fra finansieringsaktiviteter			
Netto endring fordring / gjeld konsernkontoordning	16	-98 772	54 815
Utbetalinger av konsernbidrag		-2 613	-43 107
Netto kontantstrøm fra finansieringsaktiviteter		-101 385	11 708
Effekt av valutakursendringer på likvider		0	0
Netto endring i likvider i året		-227	1 332
Kontanter og bankinnskudd per 01.01		5 708	4 376
Kontanter og bankinnskudd per 31.12		5 481	5 708



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Odfjell Engineering AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 1 - Regnskapsprinsipper

Årsregnskapet består av resultatregnskap, balanse, noteopplysninger, kontantstrømoppstilling og er avlagt i samsvar med regnskapslov og god regnskapsskikk i Norge. Norske kroner benyttes som funksjonell og rapporterings valuta i regnskapet.

Selskapet er en del av Odfjell Technology konsernet. Det ultimate morselskap er Odfjell Technology Ltd som har forretningskontor i Aberdeen, Skottland.

Konsernregnskapet er tilgjengelig på selskapets hjemmeside www.odfjelltechnology.com.

Salgsinntekter

Inntekter fra salg av varer resultatføres når levering har funnet sted og det vesentligste av risiko og avkastning er overført.

Inntekter fra salg av tjenester og langsiktige tilvirkingsprosjekter resultatføres i takt med prosjektets fullføringsgrad, når utfallet av transaksjonen kan estimeres på en pålitelig måte. Fremdriften måles som påløpte timer i forhold til totalt estimerte timer. Når transaksjonens utfall ikke kan estimeres pålitelig, vil kun inntekter tilsvarende påløpte prosjektkostnader inntektsføres. I den perioden det blir identifisert at et prosjekt vil gi et negativt resultat, vil det estimerte tapet på kontrakten bli resultatført i sin helhet.

Aksjeopsjoner

Konsernet har aksjeopsjonsprogrammer for selskapets ledelse. Programmene måles til virkelig verdi på tildelingsdatoen. Opsjonsprogrammet for selskapets øverste ledelse er en ordning med oppgjør i aksjer. Virkelig verdi av tildelte opsjoner periodiseres over den periode de ansatte innvinner rett til å motta opsjonene, hvilket vil si over den avtalte fremtidige tjenestetiden.

Kostnaden ved aksjebaserte transaksjoner med ansatte innregnes som en kostnad over gjennomsnittlig innvinningsperiode. For transaksjoner som gjøres opp i selskapets egenkapitalinstrumenter (ordninger med oppgjør i aksjer) regnskapsføres verdien av de tildelte opsjonene i perioden som en lønnskostnad i resultatet og med motpost annen innskutt egenkapital.

Arbeidsgiveravgift på opsjoner betalinger innregnes i resultatet over forventet opptjeningsperiode.

Klassifisering og vurdering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter balansedagen, samt poster som knytter seg til varekretsløpet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Anleggsmidler med begrenset økonomisk levetid avskrives planmessig. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Fordringer

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene. I tillegg gjøres det for øvrige kundefordringer en uspesifisert avsetning for å dekke antatt tap.

Varige driftsmidler

Varige driftsmidler balanseføres og avskrives lineært over driftsmidlets forventede levetid. Vesentlige



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driftsmidler som består av betydelige komponenter med ulik levetid er dekomponert med ulik avskrivningstid for de ulike komponentene. Direkte vedlikehold av driftsmidler kostnadsføres løpende under driftskostnader, mens påkostninger eller forbedringer tillegges driftsmidlets kostpris og avskrives i takt med driftsmidlet. Dersom gjenvinnbart beløp av driftsmiddelet er lavere enn balanseført verdi foretas nedskrivning til gjenvinnbart beløp. Gjenvinnbart beløp er det høyeste av netto salgsverdi og verdi i bruk. Verdi i bruk er nåverdien av de fremtidige kontantstrømmene som eiendelen forventes å generere.

Pensjoner

Pensjonskostnader og pensjonsforpliktelser beregnes etter lineær opptjening basert på forventet sluttlønn. Beregningen er basert på en rekke forutsetninger herunder diskonteringsrente, fremtidig regulering av lønn, pensjoner og ytelser fra folketrygden, fremtidig avkastning på pensjonsmidler samt aktuarmessige forutsetninger om dødelighet og frivillig avgang. Pensjonsmidler er vurdert til virkelig verdi og fratrasket i netto pensjonsforpliktelser i balansen. Endringer i forpliktelsen som skyldes endringer i pensjonsplaner fordeles over antatt gjenværende opptjeningstid. Endringer i forpliktelsen og pensjonsmidlene som skyldes endringer i og avvik i beregningsforutsetningene (estimatendringer) fordeles over antatt gjennomsnittlig gjenværende opptjeningstid hvis avvikene ved årets begynnelse overstiger 10 % av det største av brutto pensjonsforpliktelser og pensjonsmidler.

Skatter

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet og nettoført. Netto utsatt skattefordel balanseføres i den grad det er sannsynlig at denne kan bli nyttiggjort.

Bruk av estimer

Ledelsen har brukt estimer og forutsetninger som har påvirket resultatregnskapet og verdsettelsen av eiendeler og gjeld, samt usikre eiendeler og forpliktelser på balansedagen under utarbeidelsen av årsregnskapet i henhold til god regnskapsskikk.

Note 2 - Driftsinntekter

Beløp vises i tusen kr

	2022	2021
<i>Geografisk fordeling</i>		
Norge og Nordsjøen	494 343	319 203
Storbritannia	1 756	1 125
Dubai	2 554	4 552
	<u>498 654</u>	<u>324 880</u>

Selskapets driftsinntekter er basert på salg av ingeniørtjenester innenfor olje- og gassindustrien.



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Note 3 - Nærstående transaksjoner - Inntekt fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser. I noten er det delt mellom inntekter i samme konsern og inntekter fra nærstående konsern (samme majoritetseier), samt inntekter fra joint venture.

Beskrivelse nærstående part	Type transaksjon	2022	2021
OT Ltd Group - konsernselskap	Ingeniørtjenester	27 020	8 719
OD Ltd Group - nærstående part	Ingeniørtjenester	266 187	204 918
OOW AS - joint venture	Ingeniørtjenester	24 244	10 598
Sum		317 451	224 235

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group) samt nærstående til joint venture Odfjell Oceanwind AS (OOW AS).
For kjøp/kostnad fra nærstående parter, se note 10.

Note 4 - Lønnskostnader, antall ansatte, lån til ansatte og godtgjørelse til revisor

Beløp vises i tusen kr

Lønnskostnader	2022	2021
Lønninger	118 396	99 042
Arbeidsgiveravgift	18 434	15 065
Pensjonskostnader, se note 6	11 910	10 655
Andre ytelser	4 209	2 935
Innleid personell fra selskaper i samme konsern	43 628	9 119
Kostnad aksjeopsjonsprogram, se note 5	250	0
Sum	196 826	136 817

Selskapet har i regnskapsåret sysselsatt totalt 142 årsverk.

Ytelser til ledende personer

	Lønn	Pensjonsutgifter	Andre godtgjørelser
Daglig leder (periode 19.10.22 - 31.12.22)*	385	45	27

*Daglig leder var frem til 19.10.2022 ansatt i morselskapet Odfjell Platform Drilling AS og er lønnet derfra. Kostnadene knyttet til daglig leder inngår i kostnadsbelastning fra Odfjell Platform Drilling AS.

Styret har ikke mottatt godtgjørelse i 2022.

Selskapet er pliktig til å ha tjenstepensjonsordning etter lov om obligatorisk tjenstepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne loven.

Godtgjørelse til revisor er fordelt på følgende:	2022	2021
Lovpålagt revisjon	80	68
Merverdiavgift er ikke inkludert i revisjonshonoraret.		



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Note 5 - Aksjebasert betaling

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Konsernet har aksjeopsjonsprogrammer for selskapets ledelse. Programmene måles til virkelig verdi på tildelingsdatoen. Opsjonsprogrammet for selskapets verste ledelse er en ordning med oppgjør i aksjer. Virkelig verdi av tildelte opsjoner periodiseres over den periode de ansatte innviner rett til å motta opsjonene, hvilket vil si over den avtalte fremtidige tjenestetiden.

Kostnaden ved aksjebaserte transaksjoner med ansatte innregnes som en kostnad over gjennomsnittlig innvinningsperiode. For transaksjoner som gjøres opp i selskapets egenkapitalinstrumenter (ordninger med oppgjør i aksjer) regnskapsføres verdien av de tildelte opsjonene i perioden som en lønnskostnad i resultatet og med motpost annen innskutt egenkapital.

Arbeidsgiveravgift på opsjonene innregnes i resultatet over forventet opptjeningsperiode.

Detaljer vedrørende aksjeopsjonsprogrammet:

01. september 2022 implementerte selskapet en langsiktig incentiv plan for ledende ansatte. Totalt 240 000 aksjeopsjoner har blitt tildelt ledende ansatte i selskapet med en innløsningspris på NOK 24,13 per aksjeopsjon.

Aksjeopsjonene kan bare bli utøvd i 3 like deler, i år 2, 3 og 4 etter utstedelsesdato. Aksjeopsjonene kan bli utøvd i etterfølgende år. Aksjeopsjoner som ikke er utøvd i de første 2 årene etter utstedelsesdato kan bli rullert frem til neste år. Aksjeopsjoner som ikke er utøvd innen sluttperioden som er 3. kvartal i 2025, vil bli slettet.

Oversikt utestående aksjeopsjoner	2022	2021
Utestående opsjoner 1.1	0	0
Tildelte opsjoner	240	0
Tapte opsjoner	0	0
Utøvd opsjoner	0	0
Utgåtte opsjoner	0	0
Utestående opsjoner 31.12	240	0

Virkelig verdi på opsjonene er estimert ved hjelp av Black and Scholes opsjonsprisindeksmodell. Gjennomsnittlig virkelig verdi av tildelte opsjoner i 2022 er NOK 9,43. Total kostnad på aksjeopsjonsprogrammet er beregnet ved bruk av virkelig verdi per opsjon (NOK 9,43 / pr opsjon) multiplisert med antall opsjoner (240 000). Total kostnad tilsvarer omtrent NOK 2,2 mill. og kostnadsføres over opsjonens levetid, forventet frem til september 2025. Kostnadsført i 2022 tilknyttet aksjeopsjonene er TNOK 250, se note 4.

Følgende forutsetninger er lagt til grunn for beregningen:

Aksjekurs på tildelingstidspunkt
Aksjeprisen er satt lik børskursen på tildelingstidspunktet.

Innløsningskurs pr. opsjon
Innløsningsprisen er NOK 24,13 per opsjon.

Volatilitet
Det er forutsatt at historisk volatilitet er en indikasjon på fremtidig volatilitet.



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Forventet volatilitet er derfor satt lik historisk volatilitet som tilsvarer en volatilitet på 55 %.

Opsjonens levetid

Opsjonens forventede løpetid er 3 år.

Utbytte

Forventet utbytte per aksje er NOK 0 pr. år.

Risikofri rente

Risikofri rente som er lagt til grunn for beregning av opsjoner er på 3,67 % for 2022.

Note 6 - Pensjoner

Beløp vises i tusen kr

Selskapet er pliktig til å ha tjenstepensjonsordning etter lov om obligatorisk tjenstepensjon, og selskapet har tjensteordninger som oppfyller kravene etter denne loven.

Selskapet har en åpen kollektiv innskuddsbasert ordning for de ansatte med tilhørende risikodekning av uføre-, ektefelle- og barnepensjon. Denne ordningen omfatter 137 personer pr 31.12.2022 (138 personer pr. 31.12.2021).

Selskapet har i tillegg en lukket kollektiv ytelsesbasert pensjonsordning som omfatter i alt 5 aktive og 9 pensjonister pr. 31.12.21. Ordningen er forsikret i porteføljen til DNB Liv ASA. Ordningen gir rett til definerte fremtidige ytelser. Disse er i hovedsak avhengig av antall opptjeningsår, lønnsnivå ved oppnådd pensjonsalder og størrelsen på ytelsene fra folketrygden. I tilknytning til ytelsesordningen har selskapet risikodekning av uføre-, ektefelle- og barnepensjon.

	2022	2021
Årets pensjonsopptjening	652	902
Rentekostnad av pensjonsforpliktelsen	551	568
Avkastning på pensjonsmidler	-959	-799
Administrasjonskostnader	347	310
Periodisert arbeidsgiveravgift	83	138
Resultatført estimatavvik	653	715
Netto pensjonskostnad ytelsesordning	1 327	1 834
Kostnad risikodekninger og utløsning gavepensjon	115	607
Kostnad innskuddspensjon inkludert risikodekning	8 587	6 915
Kostnad flerforetaksordning bokført som innskuddsbasert (AFP)	1 880	1 299
Sum total pensjonskostnad	11 910	10 655



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	2022	2021
Påløpte pensjonsforpliktelser pr. 31.12	38 340	37 480
Pensjonsmidler (til markedsverdi) pr. 31.12	-33 960	-33 335
Netto pensjonsforpliktelser pr.31.12 ekskl. arbeidsgiveravgift	4 380	4 146
Arbeidsgiveravgift	618	585
Ikke resultatført virkning av estimatavvik	-8 842	-8 349
Netto balanseført pensjonsforpliktelse (+) /-midler (-)	-3 844	-3 619

Forpliktelser i AFP-ordning

Selskapet er medlem av av AFP-ordningen i privat sektor. AFP-ordningen er en ordning som gir livslangt tillegg på den ordinære pensjonen. De ansatte kan velge å ta ut AFP fra og med fylte 62 år. AFP-ordningen er en ytelsesbasert flerforetakspensjonsordning og finansieres gjennom premier som fastsettes som en prosent av lønn. Regnskapsmessig blir ordningen behandlet som en innskuddsbasert pensjonsordning hvor premiebetalingen kostnadsføres løpende, og ingen avsetning foretas i regnskapet.

I 2022 utgjorde premien 2,6 % av lønn mellom 1G og 7,1G. Premiesatsen for 2022 vil være uendret.

Selskapet har et pensjonsløfte overfor de ansatte på inntil 1G årlig i perioden 62-67 år ved fratredelse av stilling, forutsatt at de tilfredsstiller kravene til å motta AFP. Sannsynligheten for uttak er så lav at forpliktelsen ikke er balanseført. Ved faktisk uttak av gavepensjon blir totalkostnad kostnadsført umiddelbart.

<i>Økonomiske forutsetninger:</i>	2022	2021
Diskonteringsrente	1,50%	1,50%
Forventet avkastning på pensjonsmidlene	2,90%	2,40%
Lønnsregulering/inflasjon	2,50%	2,00%
Regulering av folketrygdens grunnbeløp	2,25%	1,75%

De aktuariemessige forutsetningene er basert på vanlige benyttede forutsetninger innen forsikring når det gjelder demografiske faktorer.



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Note 7 - Immaterielle eiendeler

Beløp vises i tusen kr

	Goodwill	Lisenser
Anskaffelseskost pr 01.01.	30 239	0
Tilgang kjøpte eiendeler	0	1 966
Anskaffelseskost 31.12.	30 239	1 966
Akk.avskrivninger 31.12.	-30 239	-97
Balanseført verdi pr.31.12.	0	1 869
Årets avskrivninger	496	97
Økonomisk levetid	20 år	3 år
Avskrivningsplan	Lineær	Lineær

Balanseført goodwill ble aktivert i selskapets balanse i forbindelse med restruktureringen av Odfjell Drilling-konsernet i 2007. Denne goodwillen oppstod i konsernet i mars 2002. Selskapets forretningsaktivitet er langsiktig og industriell innenfor det aktuelle forretningsområdet, og verdien av ervervet goodwill avskrives over en total periode på 20 år, hvorav de siste 19,25 årene er i Odfjell Engineering AS.

Note 8 - Varige driftsmidler

Beløp vises i tusen kr

	Maskiner og anlegg	Datautstyr og inventar
Anskaffelseskost 01.01.	0	11 543
Tilgang kjøpte driftsmidler	1 532	340
Anskaffelseskost 31.12.	1 532	11 883
Akk.avskrivning 31.12.	-93	-10 972
Akk.nedskr. 31.12.	0	-504
Balanseført pr. 31.12.	1 439	407
Årets avskrivninger	93	261
Årets nedskrivninger	0	504
Økonomisk levetid	3-5 år	3-5 år
Avskrivningsplan	Lineær	Lineær



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Note 9 - Driftskostnader

Beløp vises i tusen kr

	2022	2021
Innleide tjenester og underleveranser	179 083	123 588
Kontorleie	2 883	5 289
Utstyr, verktøy og IT	12 274	6 844
Administrasjonskostnader	37 977	30 875
Leie av utstyr og maskiner	1 301	2 499
Andre driftskostnader inkludert reise- og kurskostnader	10 012	5 238
Sum	243 530	174 333

Note 10 - Nærstående transaksjoner - kjøp/kostnad fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser.

Beskrivelse nærstående part	Type transaksjon	2022	2021
OT Ltd Group - konsernselskap	Leie personell/support tjenest	39 133	23 357
OT Ltd Group - konsernselskap	Innleie personell	44 473	11 644
OD Ltd Group - nærstående part	Management tjenester og lokale	4 265	13 454
Sum		87 871	48 456

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group) samt nærstående til joint venture Odfjell Oceanwind AS (OOW AS).

Note 11 - Finansinntekter og kostnader

Beløp vises i tusen kr

Finansinntekter	2022	2021
Renteinntekter	279	1
Andre finansinntekter	2	5
Sum finansinntekter	282	6
Finanskostnader	2022	2021
Rentekostnader	-421	-182
Netto valutatap	-3 417	-1 171
Andre finanskostnader	-25	-18
Sum finanskostnader	-3 864	-1 370
Netto finans	2022	2021
Netto finans	-3 582	-1 364
Sum netto finans (- kostnad / + inntekt)	-3 582	-1 364

Selskapets policy er å redusere eksponeringen for svigningen i valutakurser ved å søke en best mulig balanse mellom innbetalinger og utbetalinger i samme valuta.



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Note 12 - Skatt

Beløp vises i tusen kr

<i>Årets skattekostnad fordeler seg på:</i>	2022	2021
Betalbar skatt	11 899	2 613
Endring utsatt skatt	125	43
Årets totale skattekostnad	<u>12 024</u>	<u>2 656</u>
<i>Beregning av årets skattegrunnlag:</i>	2022	2021
Ordinært resultat før skattekostnad	53 769	10 013
Permanente forskjeller	391	2 059
Endring i midlertidige forskjeller	-73	-194
Alminnelig inntekt	<u>54 087</u>	<u>11 877</u>
Ytet konsernbidrag	<u>-54 087</u>	<u>-11 876</u>
Årets skattegrunnlag	<u>0</u>	<u>0</u>
Betalbar skatt (22%) av årets skattegrunnlag	0	0
<i>Oversikt over midlertidige forskjeller</i>	2022	2021
Driftsmidler inkl goodwill	-451	-794
Netto pensjonsmidler	<u>3 844</u>	<u>3 619</u>
Netto midlertidige forskjeller pr 31.12	<u>3 393</u>	<u>2 825</u>
Utsatt skattefordel/Utsatt skatt (22%)	747	621
<i>Oversikt over permanente forskjeller</i>	2022	2021
Ikke fradragsberettigede representasjonskostnader	85	26
Ikke fradragsberettigede kontingenter	56	50
Rentekostnad på utlignet skatt	0	0
Kostnad aksjeopsjoner	250	0
Avskrivning Goodwill	<u>0</u>	<u>1 983</u>
Sum permanente forskjeller	<u>391</u>	<u>2 059</u>
<i>Forklaring til hvorfor årets skattekostnad ikke utgjør 22% av resultat før skatt</i>	2022	
22% skatt av resultat før skatt	11 829	
Permanente forskjeller (22%)	<u>86</u>	
Beregnet skattekostnad	<u>11 915</u>	
Effektiv skattesats *)	22,2 %	
*) Skattekostnad i forhold til resultat før skatt		



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Note 13 - Egenkapital

Beløp vises i tusen kr

	Aksjekapital	Annen innskutt egenkapital	Udekket tap	Sum
Egenkapital 01.01.	2 360	69 249	-55 444	16 164
Årsresultat	0	0	41 745	41 745
Avgitt konsernbidrag	0	0	-42 138	-42 138
Andre endringer	0	-55 838	55 838	0
Aksjeopsjonsprogram, se note 5	0	250	0	250
Egenkapital 31.12.	2 360	13 661	0	16 021

Selskapet har avgitt brutto konsernbidrag på NOK 54,023 millioner med skattefradrag til søsterselskap Odfjell Offshore Ltd, og avgitt brutto konsernbidrag på NOK 564 tusen uten skattefradrag til datterselskap Odfjell Energy Crewing AS.

Note 14 - Datterselskap, tilknyttet selskap m v

Beløp vises i tusen kr

Selskap	Kontor	Eier- andel	Stemme- andel	Resultat 2022	Egenkapital pr. 31.12	Bokført verdi pr. 31.12
Odfjell Energy Crewing AS	Kokstad	100 %	100 %	-50	530	580

Datterselskap er forventet å generere overskudd i fremtiden, og bokført verdi anses å være i behold.



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Note 15 - Fordringer og gjeld

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<i>Kundefordringer</i>	2022	2021
Kundefordringer - eksternt, brutto	84 403	27 672
Avsetning tap på krav	0	0
Kundefordringer - konsern, se note 16	29 869	83 133
Sum	<u>114 272</u>	<u>110 804</u>
 <i>Andre fordringer</i>	 2022	 2021
Andre forskuddsbetalinger	2 510	2 759
Sykepenges	356	589
Merverdiavgift	0	3 148
Andre kortsiktige fordringer konsern, se note 16	49	54
Sum	<u>2 915</u>	<u>6 550</u>
 <i>Leverandørgjeld</i>	 2022	 2021
Leverandørgjeld - eksternt	-48 036	-19 312
Leverandørgjeld - konsern, se note 16	-9 582	-4 249
Sum	<u>-57 618</u>	<u>-23 562</u>
 <i>Annen kortsiktig gjeld</i>	 2022	 2021
Forskuddsbetalinger fra kunder	-152	0
Kortsiktig gjeld konsern, se note 16	-60 851	-5 124
Andre påløpte kostnader og kortsiktig gjeld	-15 997	-16 316
Påløpte lønnskostnader, overtid og feriepenger	-15 512	-14 608
Sum	<u>-92 513</u>	<u>-36 048</u>

Det er ikke resultatført noe til konstaterte tap på kundefordringer i 2022. Se også note 16 for konserninterne fordringer.



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Odfjell Engineering AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 16 - Mellomværende med selskap i samme konsern og tilknyttet selskap m.v

Beløp vises i tusen kr

Fordringer og gjeld mellom konsernselskaper (samme konsern) og konsernselskaper (nærstående konsern) knytter seg til den løpende drift og konsernbidrag. Konsernmellomværende er gjengitt på egne linjer i balansen.

<i>Kortsiktige driftsrelaterte fordringer</i>	2022	2021
OT Ltd Group - konsernselskap	1 024	4 298
OD Ltd Group - nærstående part	28 894	78 888
Sum driftsrelaterte fordringer	29 918	83 186
<i>Kortsiktige driftsrelatert gjeld</i>	2022	2021
OT Ltd Group - konsernselskap	-15 611	-4 960
OD Ltd Group - nærstående part	-235	-1 800
Sum driftsrelatert gjeld	-15 846	-6 760
<i>Konsernbidrag</i>	2022	2021
Odfjell Technology AS - avgitt konsernbidrag		-2 613
Odfjell Offshore Ltd - avgitt konsernbidrag	-54 023	0
Odfjell Energy Crewing AS - avgitt konsernbidrag	-564	0
Sum konsernbidrag	-54 587	-2 613
<i>Kortsiktige driftsrelaterte fordringer - joint venture</i>	2022	2021
OOW AS - joint venture	462	1 253
Sum driftsrelaterte fordringer - joint venture	462	1 253

Konsernets kortsiktige mellomværende forfaller til betaling innen ett år etter regnskapsårets utgang.

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group) samt nærstående til joint venture Odfjell Oceanwind AS (OOW AS).

Note 17 - Konsernkontoordning

Beløp vises i tusen kr

Selskapets driftskontoer inngår i konsernkontoordning hvor Odfjell Technology Ltd per 31.12.2022 er konsernkontoeier og således eier av bankmidlene. Konsernkontosystemet er opprettet for å bidra til en optimal likviditetsstyring i Odfjell Technology Ltd. konsernet. Selskapet har solidaransvar for innskudd i konsernkontoordning, og har ikke separatistrettighet for midler som inngår i konsernkontoordningen. Netto innestående på konsernkontoordningen klassifiseres som annen kortsiktig fordring i balansen, mens netto trekk er klassifisert som annen kortsiktig gjeld og er vist på egen linje i balansen.

	2022	2021
Bankinnskudd / -trekk NOK	56 538	-21 091
Bankinnskudd / -trekk USD	-788	-23 521
Bankinnskudd / -trekk GBP	227	1 817
Netto fordring/-gjeld konsernkontoordning	55 978	-42 795



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Odfjell Engineering AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 18 - Bankinnskudd

Beløp vises i tusen kr

	2022
Bundne skattetreksmidler utgjør	5 480

Note 19 - Aksjekapital og aksjonærinformasjon

Beløp vises i tusen kr

Aksjekapitalen består av:

	Antall	Pålydende	Balanseført
Ordinære aksjer	2 359 729	1	2 360

Aksjekapital i selskapet består pr 31.12 av 2 359 729 Aksjer à kr 1. Total NOK 2 359 729,-

Oversikt over aksjonærene i selskapet pr. 31.12:

	Ordinære aksjer	Eier- andel	Stemme- andel
Odfjell Platform Drilling AS	2 359 729	100 %	100 %

Alle aksjer i selskapet tilhører samme aksjeklasse, og har like stemmerettigheter

Konsernspiss i Odfjell Technology-konsernet er Odfjell Technology Ltd., hvor selskapet inngår i konsolideringen. Konsernregnskapet er tilgjengelig på selskapets hjemmeside www.odfjelltechnology.com.

Note 20 - Pant, sikkerhets- og garantistillelse

Konsernet Odfjell Technology har fellesregistrering knyttet til merverdiavgift for konsernets avgiftsregistrerte foretak. Selskapet inngår i denne fellesregistreringen og er således solidarisk ansvarlig for skyldig merverdiavgift i Norge.

Se også note 17 for omtale av solidaransvar for innskudd i konsernkontoordningen.



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Enterprise 935 174 627 MVA

Til generalforsamlingen i Odfjell Engineering AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert årsregnskapet for Odfjell Engineering AS som består av balanse per 31. desember 2022, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2022, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen og annen øvrig informasjon som er publisert sammen med årsregnskapet. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker verken informasjonen i årsberetningen eller annen øvrig informasjon.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen og annen øvrig informasjon. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen, annen øvrig informasjon og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen og annen øvrig informasjon ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen eller annen øvrig informasjon fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Offices in:

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodø	Knaresund	Stord	Ålesund
Drammen	Kristiansand	Straume	

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Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av intern kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimaterne og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.



Bergen, 02. mai 2023
KPMG AS

Ståle Christensen
Statsautorisert revisor
(elektronisk signert)

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Ståle Christensen

Partner

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Odfjell Offshore Ltd

Appendix 16 – Financial statements for Odfjell Offshore Ltd as of and for the financial years ended 31 December 2023 and 31 December 2022

Annual report 2023

Board of directors' report

Annual accounts

- Income statement**
- Balance sheet**
- Cash flow statement**
- Notes**

Auditor's report

Board of directors' report 2023

Odfjell Offshore Ltd

Adress: Kokstadflaten 35, 5257 Kokstad

Org.nr: 916689799 MVA

Business:

The business

The company was incorporated in 2011 in Bermuda. The company migrated to Norway primo 2016 and has been managed from Norway since.

Odfjell Platform Drilling AS, the parent company, currently holds all the shares in the company.

The company entered into a drilling management agreement in 2022 which commenced in the second half of 2022, and consists of management of the jack-up rig Linus on behalf of ConocoPhillips in the North Sea.

Financial performance

The Board considers that the annual accounts give an accurate description of Odfjell Offshore Ltd's assets and liabilities, financial position and result.

21 December 2022 Odfjell Offshore Ltd received a tax ruling from the Norwegian Tax Authorities where the tax loss of on the realization of shares in 2017 was denied on the basis of the antiavoidance rule developed as tax case law. Odfjell Offshore Ltd will appeal the ruling, and the company 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 company made an upfront payment 1 February 2023 of NOK 307 million in taxes and interest for the financial years 2017 through to 2021. The amount was financed and refunded from Odfjell Drilling Ltd., as it is covered by the letter of indemnity issued 1 March 2022 to Odfjell Technology Ltd (OTL). OTL has on 1 March 2022 issued a letter of financial support to Odfjell Offshore Ltd, declaring that if OTL is indemnified by Odfjell Drilling Ltd for the relevant tax liability, OTL will, if so requested and if needed, contribute relevant funds into Odfjell Offshore Ltd.

In accordance with Norwegian accounting principles, the company has to recognised the tax cost of NOK 307 million in the 2022 profit and loss.

Comments related to the financial statements

Operating revenue amounted to NOK 399 million in 2023, compared to NOK 130 million in 2022.

The increase in operating revenue are explained with the fact that 2023 is the first full-year of operating the Linus jack-up rig, which the company took over management for in September 2022.

Payroll expenses amounted to NOK 313 million (NOK 80 million in 2022). The increase is explained above under operating revenue.

The company has received group contributions from it's sister-companies and parent company in 2023.

Net profit was NOK 37 million in 2023 compared to negative NOK -295 million in 2022. The explanation is that we posted a tax-cost in the accounts in 2022, please refer to note 11.

Total cash flow used in operating activities was NOK -274 million in 2023, mainly related to paid taxes as mentioned above, and in note 11. Expensed through profit and loss. This is also the reason for the deviation between the operating result, which amounted to NOK 52 million in 2023, and the cash flow used in operating activities mentioned above, was NOK -274 million in 2023.

Net cashflow in investing activities amounted to NOK 0 million in both 2023 and 2022.

Net cashflow earned in financing activities amounted to NOK 274 million, and was mainly due to received group contribution from sister-companies and parent company, and net positive change in intercompany bank accounts (group cash pool).

The Company's liquidity reserve as of 31.12.2023 amounted to NOK 10 million.

The Company's short-term debt as of 31.12.2023 constituted 100 % of the Company's total debt, compared to 100% as of 31.12.2022. The company has no long-term debt. The short-term debt is mainly related to the group cash pool and tax payable. The Company's financial position is sound and adequate enough to settle short-term debt as it matures with the Company's most liquid assets.

Total assets at year end amounted to NOK 176 million, compared to NOK 243 million last year. The equity ratio was -19 % as of 31.12.2023, compared to -74 % the year before.

Financial risk

Overall view on objectives and strategy

Od fjell Offshore Ltd is part of the Od fjell Technology Ltd Group and therefore included in the financial risk management for the parent group.

The company has limited exposure to financial risk.

Risk management is carried out on Od fjell Technology Ltd Group level (Parent company). The Od fjell Technology Group identifies, evaluates and hedges financial risks in close co-operation with the Group's operational units. The board of Od fjell Technology Ltd Group has established written principles for risk management of foreign exchange risk, interest rate risk and use of derivative financial instruments.

Market risk

Exchange-rate risk is low however the company have some exposure related to cash in bank and the Group Cash pool.

Credit risk

The company is exposed to credit risk related to related party current and non-current receivables. The risk for losses on receivables is considered to be low, and the company does not expect any credit losses in the next 12-month period.

Liquidity risk

The liquidity risk is low , as the Company's financial position is sound and adequate enough to settle short-term debt as it matures with the Company's most liquid assets.

A going concern

In accordance with the section 3-3 of the Accountancy Act, we confirm that Od fjell Offshore Ltd meets the requirements for continuation as a going concern. This is based on the letter of financial support provided by Od fjell Technolgy Ltd as described above.

Working environment

The company has not had any serious incidents in 2023.

The external environment

The company does not engage in any activities which pollute the environment.

Equality and discrimination

The company aims to be a workplace where there is full equality between women and men. The company has incorporated provisions in its policy that aim to ensure that there is no discrimination based on gender in matters such as salary, promotion and recruitment.

The purpose of the Discrimination Act is to promote equality, ensure equal opportunities and rights and to prevent discrimination on the grounds of ethnicity, national origin, descent, skin color, language, religion and outlook on life. The company works actively, purposefully and systematically to promote the purpose of the law within our business. Activities include recruitment, pay and working conditions, promotion, development opportunities and protection against harassment. The group aims to be a workplace where there is no discrimination due to disability.

The company works actively and purposefully to design and facilitate the physical conditions so that the company's various functions can be used by as many people as possible. For employees or jobseekers with disabilities, individual adaptation of the workplace and work tasks is carried out. As part of the work of facilitating physical conditions, door openers have been installed at all exit doors.

The Group's "Human rights policy" in accordance with the new act "*Åpenhetsloven*" of 1 July 2022, are available on Odfjell Technology's public website; www.odfjelltechnology.com.

Environmental reporting

The Company's activities do not pollute the external environment.

Information about Odfjell Technology Ltd Group's environmental credentials can be read in the Sustainability Report which is available at www.odfjelltechnology.com.

Directors & Officers Liability Insurance

There is a policy on group level that includes the liability of the Company's Directors and Officers. The limit of liability is NOK 75 million per claim and in aggregate per year.

Bergen, 29 April 2024
Board of Odfjell Offshore Ltd

Simen Lieungh

Simen Lieungh
Chair

Kurt Meinert Fjell

Kurt Meinert Fjell
General manager / Director

Jone Torstensen

Jone Torstensen
Director

Income statement

Amounts in NOK thousands

	Note	2023	2022
Revenue			
Operating revenue	3, 4	398 779	130 454
Operating expenses			
Payroll expenses	5, 6, 7	312 957	80 436
Other operating expenses	7, 8	33 446	42 671
Total operating expenses		<u>346 403</u>	<u>123 107</u>
Operating result		<u>52 376</u>	<u>7 347</u>
Financial income and expenses			
Financial income	9	2 767	7 637
Financial expenses	9	7 725	20
Net financial items		<u>-4 958</u>	<u>7 617</u>
Ordinary result before tax		<u>47 418</u>	<u>14 964</u>
Tax on ordinary result	10, 11	<u>10 432</u>	<u>310 455</u>
Net profit or loss for the year		<u>36 986</u>	<u>-295 491</u>
Allocated as follows			
Transferred to other equity	12	36 986	-295 491

Balance sheet as of December 31

Amounts in NOK thousands

	Note	2023	2022
Current assets			
<i>Receivables</i>			
Trade receivables	13, 14	24 469	49 994
Group accounts - receivable	15	0	21 986
Other receivables	13, 14	141 417	160 672
Total accounts receivables		<u>165 886</u>	<u>232 652</u>
Cash and cash equivalents	16	<u>10 006</u>	<u>10 343</u>
Total current assets		<u>175 892</u>	<u>242 995</u>
Total assets		<u>175 892</u>	<u>242 995</u>

Balance sheet as of December 31

Amounts in NOK thousands

	Note	2023	2022
Equity			
<i>Paid-in capital</i>			
Share capital	12, 17	8 550	8 550
Other paid-in capital	12	3 699 782	3 591 192
Total paid-in capital		<u>3 708 332</u>	<u>3 599 742</u>
<i>Retained earnings</i>			
Other equity	12	-3 741 475	-3 778 461
Total equity		<u>-33 143</u>	<u>-178 719</u>
Liabilities			
<i>Current liabilities</i>			
Trade creditors	13	13 873	6 327
Tax payable	10, 11	41 060	342 722
Public duties payable		35 336	23 389
Group accounts - payable	15	105 580	0
Other short-term liabilities	13, 14	13 186	49 276
Total current liabilities		<u>209 035</u>	<u>421 714</u>
Total liabilities		<u>209 035</u>	<u>421 714</u>
Total equity and liabilities		<u>175 892</u>	<u>242 995</u>

Bergen, 29 April 2024

Simen Lieungh

Simen Lieungh
Chair

Kurt Meinert Fjell
General manager / Director*Jone Torstensen*

Jone Torstensen
Director

Cash flow statement

Amounts in NOK thousands

	Note	2023	2022
Cash flow from operating activities			
Ordinary result from tax		47 418	14 965
Taxes paid		-342 722	0
Changes in inventories, trade receivables and trade payables		9 740	-43 683
Changes in other current balance sheet items		17 348	72 207
Changes in short-term receivables/payables intercompany (ex. GC)		-6 353	-13 377
Net cash flow from operating activities		<u>-274 570</u>	<u>30 112</u>
Cash flow from investing activities			
Net cash flow from investing activities		<u>0</u>	<u>0</u>
Cash flow from financing activities			
Group contribution received/paid		146 667	159 892
Net change intercompany bank accounts (receivable/payable)		127 566	621 291
Changes in short-term receivables/payables intercompany		0	-1 180 327
Net cash flow from financing activities		<u>274 233</u>	<u>-399 143</u>
Effects of change in exchange rates and cash equivalents		0	-1
Net change in cash and cash equivalents		-337	-369 032
Cash and cash equivalents as of 01.01		<u>10 343</u>	<u>379 375</u>
Cash and cash equivalents as of 31.12		<u>10 006</u>	<u>10 343</u>

Notes to the accounts for 2023

Amounts in NOK thousands

Note - 1 Accounting Principles

The financial statements consists of income statment, balance sheet, cash flow statement and notes to the accounts and have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Norwegian kroner (NOK) is used as functional and reporting currency in the accounts.

The company is part of the Odfjell Technology group. The ultimate parent company per 31 December 2023 is Odfjell Technology Ltd which has its business office in Aberdeen, Scotland. The consolidated financial statements are available on the company's website www.odfjelltechnology.com.

Revenue recognition

Revenues from the sale of goods are recognised in the income statement once delivery has taken place and most of the risk and return has been transferred.

Revenues from the sale of services and long-term manufacturing projects are recognised in the income statement according to the project's level of completion provided the outcome of the transaction can be estimated reliably. Progress is measured as the number of hours spent compared to the total number of hours estimated. When the outcome of the transaction cannot be estimated reliably, only revenues equal to the project costs that have been incurred will be recognised as revenue. The total estimated loss on a contract will be recognised in the income statement during the period when it is identified that a project will generate a loss.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

Trade and other receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.

Short term investments

Short term investments (stocks and shares seen as current assets) are valued at the lower of acquisition cost and fair value at the balance sheet date. Dividends and other distributions are recognized as other financial income.

Leasing and lease agreements

A distinction is made between financial and operational leasing.

Operating assets financed by financial leasing are classified in the accounts as property, plant and equipment. The counter-item is included as long-term debt. Rental amounts are divided between interest costs and installments on the debt.

Operational leasing is expensed as operating costs based on invoiced leasing rent.

Notes to the accounts for 2023

Amounts in NOK thousands

Pensions

Defined benefit plans are valued at the present value of accrued future pension benefits at the balance sheet date. Pension plan assets are valued at their fair value.

Changes in the pension obligations due to changes in pension plans are recognised over the estimated average remaining service period. Any gains due to plan amendments that arise due to unconditional plan amendments are used to reduce unrecognised actuarial gains or losses. Current service cost, interest expense and expected return for the remaining part of the accounting period are determined based on assumptions at the time of the plan amendments.

The accumulated effect of changes in estimates and in financial and actuarial assumptions (actuarial gains or losses) that is less than 10% of the higher of defined benefit pension obligations and pension plan assets at the beginning of the year is not recognised. When the accumulated effect is above 10% limit in the beginning of the financial period, the excess amount is recognised in the income statement over the estimated average remaining service period. The net pension cost for the period is classified as salaries and personnel costs.

Gains or losses that arise in connection with settlement or significant curtailment of defined benefit plans are recognised in the income statement at the settlement or curtailment. Current service cost, interest expense and expected return for the remaining part of the accounting period are determined based on assumptions at the time of the curtailment.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward.. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Use of estimates

The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Notes to the accounts for 2023

Amounts in NOK thousands

Note 2 - General information

Odfjell Offshore LTD ("the company") was incorporated on March 25, 2011 in Bermuda, for the purpose of continuing the investments in rig activities of its former parent company, Odfjell Drilling Ltd. In May 2011, the company received shares in subsidiaries and associated companies and interest bearing loan as a contribution from Odfjell Drilling Ltd.

As part of the reorganization of Odfjell Drilling Group and spin off of the Well Services and Energy segments into Odfjell Technology Ltd. in March 2022, the ownership of Odfjell Offshore Ltd. has changed in 2022. 1 March 2022 the shares in the company was transferred from Odfjell Drilling Ltd. to Odfjell Technology Ltd. Subsequent of that transaction, the shares in Odfjell Offshore Ltd. was transferred from Odfjell Technology Ltd. to Odfjell Platform Drilling AS, which is currently the holder of all the shares in the company.

As part of the reorganisation, the USD loan receivable and cash pool receivables was settled or distributed to the parent company. In addition the company started operations with mainly NOK currency exposure. As of 2022 NOK is the currency of the primary economic environment in which the company operates.

Note 3 - Operating revenue

Amounts in NOK thousands

	2023	2022
<i>By business area</i>		
Miscellaneous operating income	345 186	111 817
Hiring out of offshore and onshore personnel	1 284	1 369
Management fee	48 438	17 268
Operating bonus	3 870	0
Revenue by business area	<u>398 779</u>	<u>130 454</u>
<i>Geographical distribution</i>		
Norwegian Continental shelf - Ekofisk	<u>398 779</u>	<u>130 454</u>
Revenue by geographical distribution	<u>398 779</u>	<u>130 454</u>

The revenue in 2023 comprises from management of the jack-up rig Linus, which the company took over the management as of per 30th September in 2022. The increase in revenue is due to that 2023 is the first full year with operations, Odfjell started to manage the rig in the last quarter in 2022.

Note 4 - Transactions with group companies: Income from group companies

Amounts in NOK thousands

The company has had several different transactions with related parties. All transactions are carried out as part of the ordinary business and at market prices.

Related party	Type of transaction	2023	2022
OD Ltd Group - related party	Reimbursed cost	1 930	0
OD Ltd Group - related party	Hiring out of personnel	<u>70</u>	<u>0</u>
Total		<u>2 000</u>	<u>0</u>

The company is part of the group Odfjell Technology Ltd (OT Ltd Group) and is included in consolidated financial statements. OT Ltd Group is closely related to the group Odfjell Drilling Ltd (OD Ltd Group).

Notes to the accounts for 2023

Amounts in NOK thousands

Note 5 - Payroll expenses, number of employees and loans to employees and auditor's fee

Amounts in NOK thousands

<i>Wage costs</i>	2023	2022
Salaries	195 953	49 273
Payroll tax	37 838	7 074
Pension costs, refer to note 5	14 425	4 156
Other payments	64 741	19 934
Total payroll expenses	<u>312 957</u>	<u>80 437</u>

The total number of employees in the company during the year: 176 labour year.

The increase in wage costs is due to that 2023 is the first full year with operations, for the jack-up rig Linus, Odfjell started to manage the rig in the last quarter in 2022.

Management remuneration

The General manager is employed in the parent company Odfjell Platform Drilling AS, and he get his salary from Odfjell Platform Drilling AS. Please refer to Note 4 in the Financial statements 2023 for the parent company, Odfjell Platform Drilling AS for spesification of management remuneration.

The company is required to have an occupational pension scheme in accordance with the Act of Mandatory Occupational Pensions. The company's pension schemes satisfy the requirements of this Act.

<i>Auditor fee has been divided as follows</i>	2023	2022
Statutory audit fee	73	40
Other services	0	3

VAT is not included in the auditor fees.

Notes to the accounts for 2023

Amounts in NOK thousands

Note 6 - Pensions

Amounts in NOK thousands

The company is obliged to have a pension scheme for its employees, called "OTP - Obligatorisk tjenestepensjon" after the norwegian law "Lov om obligatorisk tjenestepensjon", and the company meet the requirements of this Act.

The company has a collective deposit-based scheme with a savings component and associated risk coverage of victims, spouse's and children's pension. This scheme covers 175 employees per 31.12.2023 (177 employees per 31.12.2022).

Obligations in the AFP scheme

The company is a member of the AFP scheme. The AFP scheme is a scheme that provides a lifelong supplement to it arrange the pension. The employees can choose to "take out the new AFP scheme from the age of 62". The new The AFP scheme is a benefit-based multi-company pension scheme and is financed through premiums such as is determined as a percentage of I nn. As a result, there is no reliable measurement and allocation of liability and funds in the scheme. In terms of accounting, the scheme is treated as a defined contribution pension scheme where premium payments are cost dependent, and no provision is made in the accounts.

In 2023, the premium amounted to 2.6% of loans between 1G and 7.1G. The premium rate will be unchanged in 2024.

	2023	2022
Cost contribution-based pension	8 887	1 960
Cost arrangement accounted for as contribution-based	5 538	2 196
Sum total pension costs	<u>14 425</u>	<u>4 156</u>

Note 7 - Transactions with group companies: Expenses from group companies

Amounts in NOK thousands

The company has had several different transactions with related parties. All transactions are carried out as part of the ordinary business and at market prices.

<i>Related party</i>	<i>Type of transaction</i>	2023	2022
OT Ltd Group - group company	Hired personnel	53 435	9 043
OT Ltd Group - group company	Hired operational services	5 895	13 912
OT Ltd Group - group company	Repairs and maintenance	3 945	0
Total		<u>63 275</u>	<u>22 955</u>

The company is part of the group Odfjell Technology Ltd (OT Ltd Group) and is included in consolidated financial statements. OT Ltd Group is closely related to the group Odfjell Drilling Ltd (OD Ltd Group).

Notes to the accounts for 2023

Amounts in NOK thousands

Note 8 - Operating expenses

Amounts in NOK thousands

<i>Operating expenses</i>	2023	2022
Freight	98	446
Costs of premises	814	450
Tools and equipment	3 349	6 283
Repairs and maintenance	5 283	2 372
Hired services	9 846	30 421
Travel expenses	6 543	1 832
Other operating and administrative expenses	7 512	867
Sum	<u>33 446</u>	<u>42 671</u>

Note 9 - Financial income and expenses

Amounts in NOK thousands

<i>Financial income</i>	2023	2022
Interest income	2 215	1 269
Foreing exchange gain (agio)	552	6 367
Other financial income	<u>0</u>	<u>1</u>
Sum financial income	<u>2 767</u>	<u>7 638</u>
 <i>Financial expenses</i>	 2023	 2022
Interest expenses	<u>-7 725</u>	<u>-20</u>
Sum financial expenses	<u>-7 725</u>	<u>-20</u>

Notes to the accounts for 2023

Amounts in NOK thousands

Note 10 - Income taxes

Amounts in NOK thousands

<i>Income tax expenses</i>	2023	2022
Tax payable	10 432	3 292
Too much/little allocated in previous year(s): from 2017 - 2021*	0	307 163
Total income tax expense	<u>10 432</u>	<u>310 455</u>
 <i>Tax base estimation</i>	 2023	 2022
Ordinary result before tax	<u>47 418</u>	<u>14 965</u>
General income	47 418	14 965
Group contribution recieved, netted against tax loss carry forward	<u>139 218</u>	<u>146 666</u>
Tax base	<u>186 636</u>	<u>161 631</u>
Tax payable (22 %) of this years tax base	41 060	35 559
Too much/little allocated in previous year(s): from 2017 - 2021	0	307 163
Sum tax payable (22 %)	<u>41 060</u>	<u>342 722</u>
 <i>Temporary differences outlined</i>	 2023	 2022
Receivables	<u>0</u>	<u>0</u>
Amount	<u>0</u>	<u>0</u>
 <i>Effective tax rate</i>	 2023	
Expected income taxes, statutory tax rate 22%	<u>10 432</u>	
Income tax expense	<u>10 432</u>	

*Explanation too much/little allocated in previous year(s) (amounts in NOK thousands): NOK 307 163 comprises of the following elements:

Residual tax: NOK 296 912

Interest supplement: NOK 952

Interest due to increase in tax: NOK 9 299

Notes to the accounts for 2023

Amounts in NOK thousands

Note 11 - Taxation

Odfjell Offshore Ltd is registered in Bermuda. There is no Bermuda income, corporation, or profit tax, withholding tax, capital gains, capital transfer tax, estate duty or inheritance tax payable by the company or its shareholders not ordinarily resident in Bermuda. The company is not subject to Bermudan stamp duty on the issue, transfer or redemption of its shares.

The Company has received from the Minister of Finance of Bermuda under the Exempted Undertakings Tax Protection Act 1996 an assurance that, in the event of there being enacted in Bermuda any legislation imposing tax computed on profits or income, or computed on any capital assets, gain or appreciation or any tax in the nature of estate duty or inheritance tax, such tax shall not until 2035 be applicable to the company or to any of its operations, or to the shares, debentures or other obligations of the company except insofar as such tax applies to persons ordinarily resident in Bermuda and holding such shares, debentures or other obligations of the company or any land leased or let to the company.

As an exempted entity, the Company is liable to pay a registration fee in Bermuda at a rate presently amounting to USD 8 780 per annum.

The company was registered as a Norwegian Registered Foreign Company (NUF) on 08.03.2016 after migration of the company in January 2016, and is taxable for income to Norway. In 2017, the company filed for a tax deduction, of approximately NOK 2.3 billion, on redemption of shares of shares in Deep Sea Metro Ltd. A total of NOK 1 billion of this loss has been utilised through group contributions received from other Norwegian entities within the Odfjell Drilling Ltd group in the period 2017 to 2020, and a further NOK 0.3 billion is utilised in 2021.

In 2018, the Norwegian Tax authorities requested further information regarding the deductibility for these tax losses. In March 2021 the company received a new letter from the Norwegian Tax authorities where they argue that Company is not tax resident in Norway, and if it is, that the losses are not deductible and warn of a potential change in the Company's tax return as a consequence of this. At the same time, further information was requested in the letter.

21 December 2022 Odfjell Offshore Ltd received a tax ruling from the Norwegian Tax Authorities where the tax loss of on the realization of shares in 2017 was denied on the basis of the antiavoidance rule developed as tax case law. Odfjell Offshore Ltd will appeal the ruling, and the company 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 company made an upfront payment 1 February 2023 of NOK 307 million in taxes and interest for the financial years 2017 through to 2021. The amount was financed and refunded from Odfjell Drilling Ltd., as it is covered by the letter of indemnity issued 1 March 2022 to Odfjell Technology Ltd (OTL). OTL has on 1 March 2022 issued a letter of financial support to Odfjell Offshore Ltd, declaring that if OTL is indemnified by Odfjell Drilling Ltd for the relevant tax liability, OTL will, if so requested and if needed, contribute relevant funds into Odfjell Offshore Ltd.

In accordance with Norwegian accounting principles, the company has to recognise the tax cost of NOK 307 million in the 2022 profit and loss.

Letter of indemnity and letter of financial support

Odfjell Drilling Ltd. has on 1 March 2022 issued a letter of indemnity to Odfjell Technology Ltd. (OTL), to hold OTL indemnified in respect of any liability that may incur in relation to the ongoing Odfjell Offshore Ltd tax

Notes to the accounts for 2023

Amounts in NOK thousands

enquiries. This include financing of any (pre-)payments to the Norwegian Tax Authorities, and funds for any legal proceedings.

OTL has on 1 March 2022 issued a letter of financial support to Odfjell Offshore Ltd, declaring that If OTL is indemnified by Odfjell Drilling Ltd for the relevant tax liability, OTL will, if so requested and if needed, contribute relevant funds into Odfjell Offshore Ltd. This include funds received from Odfjell Drilling Ltd. in relation to (pre-)payments or legal proceedings.

Decomposition of tax cost and interest (amounts in NOK thousands):
NOK 307 163 comprises of the following elements:

Residual tax: NOK 296 912

Interest supplement: NOK 952

Interest due to increase in tax: NOK 9 299

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.

Notes to the accounts for 2023

Amounts in NOK thousands

Note 12 - Owners equity

Amounts in NOK thousands

	Share capital	Other paid-in capital	Other equity	Total
Owners equity 01.01.23 in NOK	8 550	3 591 192	-3 778 461	-178 719
Profit for the year	0	0	36 986	36 986
Group contribution	0	108 590	0	108 590
Owners equity 31.12.23 in NOK	8 550	3 699 782	-3 741 475	-33 143

The company's equity is lost as of 31 December 2023, due to the extraordinary costs regarding tax-matter that was expensed through the Profit and loss in 2022 (please refer to note 11 for more information regarding this tax-matter). The company made an upfront payment 1 February 2023 of NOK 307 million in taxes and interest for the financial years 2017 through to 2021. The amount was financed and refunded from Odfjell Drilling Lt, as it is covered by the letter of indemnity issued 1 March 2022 to Odfjell Technology Ltd (OTL). OTL has on 1 March 2022 issued a letter of financial support to Odfjell Offshore Ltd, declaring that if OTL is indemnified by Odfjell Drilling Ltd for the relevant tax liability, OTL will, if so requested and if needed, contribute relevant funds into Odfjell Offshore Ltd.

In accordance with Norwegian accounting principles, the company has to recognise the tax cost of NOK 307 million in the 2022 profit and loss. The financial statements for the fiscal year 2022 is submitted in accordance with the section 3-3 of the Accountancy Act, and we confirm that the company meets the requirements for continuation as a going concern. This is based on the letter of financial support provided by Odfjell Technology Ltd as described in note 11 and above, it is also based on the ordinary operation of the company which is good and the budget for the years to come. The company is also included in the group account scheme, which makes liquidity available for the company, to pay it's creditors and pay-roll etc.

The company also has a long-term management agreement for the jack-up rig Linus for ConocoPhillips, and we already see in 2023 that we are able to deliver a positive net profit on the ordinary operations. We also have positive budgets and forecasts for the coming years, that shows positive net profit in the years to come.

Notes to the accounts for 2023

Amounts in NOK thousands

Note 13 - Receivables and debt

Amounts in NOK thousands

<i>Trade receivables</i>	2023	2022
Trade receivables - external, gross amount	24 084	49 994
Trade receivables - group companies, note 14	385	0
Total	<u>24 469</u>	<u>49 994</u>
 <i>Short term receivables</i>	 2023	 2022
Other short term receivables group companies, note 14	139 218	160 044
Prepaid costs	-1	280
Other short term receivables	2 201	348
Total	<u>141 417</u>	<u>160 672</u>
 <i>Short term debts</i>	 2023	 2022
Prepayments from customers	0	-23 716
Short term debt to group companies, note 14	-1 355	-18 233
Accrued holiday pay	-6 165	-1 324
Other accrued expenses	-5 664	-6 003
Total	<u>-13 186</u>	<u>-49 276</u>
 <i>Trade payables</i>	 2023	 2022
Trade payables - external	-1 328	-1 882
Trade payables - group companies, note 14	-12 545	-4 445
Total	<u>-13 873</u>	<u>-6 327</u>

Notes to the accounts for 2023

Amounts in NOK thousands

Note 14 - Receivables and liabilities group companies

Amounts in NOK thousands

Receivables and debts between group companies (same group) and group companies (affiliated groups) relate to ongoing operations and group contributions.

<i>Short-term operating-related receivables</i>	2023	2022
OT Ltd Group - group companies	0	12 643
OD Ltd Group - related parties	178	734
Sum short-term operating-related receivables	<u>178</u>	<u>13 377</u>
 <i>Short-term operating debt</i>	 2023	 2022
OT Ltd Group - group companies	-13 794	-22 559
OD Ltd Group - related parties	-105	-118
Sum short-term operating debt	<u>-13 900</u>	<u>-22 678</u>
 <i>Group contribution and dividends</i>	 2023	 2022
OT Ltd Group - group companies - received	139 218	146 666
Sum group contribution - dividends (received + / given -)	<u>139 218</u>	<u>146 666</u>

The company is part of the group Odfjell Technology Ltd (OT Ltd Group) and is included in consolidated financial statements. OT Ltd Group is closely related to the group Odfjell Drilling Ltd (OD Ltd Group).

Note 15 - Group account Odfjell Technology Ltd

Amounts in NOK thousands

The company's operating bank-accounts per 31/12/2023 are included in the group account scheme where Odfjell Technology Ltd is group account owner and thus owner of the bank funds. The group account system has been created for the purpose of contributing to optimize liquidity management in the Odfjell Technology Ltd. The company has joint and several liability for deposits in the group account arrangement, and does not have separatist rights for funds included in the group account arrangement.

Net income at the group account arrangement is classified as other short-term receivables in the balance sheet.

<i>Group accounts</i>	2023	2022
NOK	-115 795	12 314
USD	10 215	9 673
Net amount group accounts (+ receivable / - payable)	<u>-105 580</u>	<u>21 986</u>

Notes to the accounts for 2023

Amounts in NOK thousands

Note 16 - Bank deposit

Amounts in NOK thousands

	2023
Bank deposits for tax withholdings	10 006

Note 17 - Equity

Book value in NOK thousands

Share capital:

	Number of shares	Face value	Book value
Odfjell TechnologyLtd	100 000 000	0,085496	8 550

The share capital is converted from USD to NOK with the currency rate used in the Norwegian tax papers for 2021, at a rate of NOK 8,5496 (as of 31 December 2021).



To the General Meeting of Odfjell Offshore Ltd.

Independent Auditor's Report

Opinion

We have audited the financial statements of Odfjell Offshore Ltd. (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bergen

KPMG AS



Ståle Christensen
State Authorised Public Accountant
(This document is signed electronically)

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Christensen, Ståle

Partner

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Odfjell Offshore Ltd

Board of directors' report 2022

Odfjell Offshore Ltd

Adress: Kokstadflaten 35, 5257 Kokstad

Org.nr: 916689799 MVA

Business:

The business

The company was incorporated in 2011 in Bermuda. The company migrated to Norway primo 2016 and has been managed from Norway since.

As part of the reorganization of Odfjell Drilling Group and spin off of the Well Services and Energy segments into Odfjell Technology Ltd., the ownership of Odfjell Offshore Ltd. has changed in 2022. 1 March 2022 the shares in the company was transferred from Odfjell Drilling Ltd. to Odfjell Technology Ltd. Subsequent of that transaction, the shares in Odfjell Offshore Ltd. was transferred from Odfjell Technology Ltd. to Odfjell Platform Drilling AS, which is currently the shareholder of all the shares in the company.

The company entered into a drilling management agreement in 2022 which commenced in the second half of 2022, and consists of management of the jack-up rig Linus on behalf of ConocoPhillips in the North Sea.

Financial performance

The Board considers that the annual accounts give an accurate description of Odfjell Offshore Ltd's assets and liabilities, financial position and result.

21 December 2022 Odfjell Offshore Ltd received a tax ruling from the Norwegian Tax Authorities where the tax loss of on the realization of shares in 2017 was denied on the basis of the antiavoidance rule developed as tax case law. Odfjell Offshore Ltd will appeal the ruling, and the company 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 company made an upfront payment 1 February 2023 of NOK 307 million in taxes and interest for the financial years 2017 through to 2021. The amount was financed and refunded from Odfjell Drilling Ltd., as it is covered by the letter of indemnity issued 1 March 2022 to Odfjell Technology Ltd (OTL). OTL has on 1 March 2022 issued a letter of financial support to Odfjell Offshore Ltd, declaring that if OTL is indemnified by Odfjell Drilling Ltd for the relevant tax liability, OTL will, if so requested and if needed, contribute relevant funds into Odfjell Offshore Ltd.

In accordance with Norwegian accounting principles, the company has to recognised the tax cost of NOK 307 million in the 2022 profit and loss.

A going concern

In accordance with the section 3-3 of the Accountancy Act, we confirm that Odfjell Offshore Ltd meets the requirements for continuation as a going concern. This is based on the letter of financial support provided by Odfjell Technolgy Ltd as described above.

Working environment

The company had an serious incident in the fall of 2022 on the rig Linus, which had serious impacts for one employee on the rig, which lost one of his arms in an accident on the rig.

The external environment

The company does not engage in any activities which pollute the environment.

Odfjell Offshore Ltd

Equality and discrimination

The company aims to be a workplace where there is full equality between women and men. The company has incorporated provisions in its policy that aim to ensure that there is no discrimination based on gender in matters such as salary, promotion and recruitment.

The purpose of the Discrimination Act is to promote equality, ensure equal opportunities and rights and to prevent discrimination on the grounds of ethnicity, national origin, descent, skin color, language, religion and outlook on life. The company works actively, purposefully and systematically to promote the purpose of the law within our business. Activities include recruitment, pay and working conditions, promotion, development opportunities and protection against harassment. The group aims to be a workplace where there is no discrimination due to disability.

The company works actively and purposefully to design and facilitate the physical conditions so that the company's various functions can be used by as many people as possible. For employees or jobseekers with disabilities, individual adaptation of the workplace and work tasks is carried out. As part of the work of facilitating physical conditions, door openers have been installed at all exit doors.

The group is working on finalizing the "Human rights policy" in accordance with the new act "Åpenhetsloven" of 1 July 2022, which will be ready by 30 June 2023 and will then be available on Odfjell Technology's public website; www.odfjelltechnology.com.

Bergen, 24 April 2023
Board of Odfjell Offshore Ltd

Simen Lieungh

Kurt Meinert Fjell

Jone Torstensen

Simen Lieungh
Chair

Kurt Meinert Fjell
General manager / Director

Jone Torstensen
Director

Od fjell Offshore Ltd

Income statement

Amounts in NOK thousands

	Note	2022	2021
Revenue			
Operating revenue	3	130 454	0
Operating expenses			
Payroll expenses	4, 5, 6	80 436	0
Other operating expenses	6, 7	42 671	1 059
Total operating expenses		<u>123 107</u>	<u>1 059</u>
Operating result		<u>7 347</u>	<u>-1 059</u>
Financial income and expenses			
Financial income	8, 9	7 637	35 574
Financial expenses	8	20	9
Net financial items		<u>7 617</u>	<u>35 565</u>
Ordinary result before tax		<u>14 964</u>	<u>34 506</u>
Tax on ordinary result	10, 11	<u>310 455</u>	<u>-59 896</u>
Net profit or loss for the year		<u>-295 491</u>	<u>94 402</u>
Allocated as follows			
Transferred to other equity	12	-295 491	94 402

Odfjell Offshore Ltd

Balance sheet as of December 31

Amounts in NOK thousands	Note	2022	2021
Current assets			
<i>Receivables</i>			
Trade receivables	13, 14	49 994	0
Group accounts - receivable	15	21 986	643 278
Other receivables	13, 14	160 672	160 061
Total accounts receivables		<u>232 652</u>	<u>803 339</u>
Cash and cash equivalents	16	<u>10 343</u>	<u>379 375</u>
Total current assets		<u>242 995</u>	<u>1 182 714</u>
Total assets		<u>242 995</u>	<u>1 182 714</u>

Odfjell Offshore Ltd

Balance sheet as of December 31

Amounts in NOK thousands

	Note	2022	2021
Equity			
<i>Paid-in capital</i>			
Share capital	12, 17	8 550	8 550
Other paid-in capital	12	3 591 192	3 476 792
Total paid-in capital		<u>3 599 742</u>	<u>3 485 342</u>
<i>Retained earnings</i>			
Other equity	12	-3 778 461	-3 482 970
Total equity		<u>-178 719</u>	<u>2 372</u>
Liabilities			
<i>Current liabilities</i>			
Trade creditors	13	6 327	15
Tax payable	10, 11	342 722	0
Public duties payable		23 389	0
Other short-term liabilities	13, 14	49 276	1 180 327
Total current liabilities		<u>421 714</u>	<u>1 180 342</u>
Total liabilities		<u>421 714</u>	<u>1 180 342</u>
Total equity and liabilities		<u>242 995</u>	<u>1 182 714</u>

Bergen, 24 April 2023

Simen Lieungh*Jone Torstensen*

 Simen Lieungh
Chair

 Kurt Meinert Fjell
General manager / Director

 Jone Torstensen
Director

Odfjell Offshore Ltd

Cash flow statement

Amounts in NOK thousands

	Note	2022	2021
Cash flow from operating activities			
Ordinary result from tax		14 965	34 506
Changes in inventories, trade receivables and trade payables		-43 683	-523
Changes in other current balance sheet items		72 207	-43
Adjusted for: Interest expense (income) net Guarantee provision		0	-5 579
Changes in short-term receivables/payables intercompany (ex. GC)		-13 377	502
Net cash flow from operating activities		<u>30 112</u>	<u>28 863</u>
Cash flow from investing activities			
Net cash flow from investing activities		<u>0</u>	<u>0</u>
Cash flow from financing activities			
Group contribution received/paid		159 892	306 001
Net change intercompany bank accounts (receivable/payable)		621 291	-643 278
Changes in short-term receivables/payables intercompany		-1 180 327	0
Net cash flow from financing activities		<u>-399 143</u>	<u>-337 277</u>
Effects of change in exchange rates and cash equivalents		-1	-12 477
Net change in cash and cash equivalents		-369 032	-320 892
Cash and cash equivalents as of 01.01		<u>379 375</u>	<u>700 266</u>
Cash and cash equivalents as of 31.12		<u>10 343</u>	<u>379 375</u>

Odfjell Offshore Ltd

Notes to the accounts for 2022

Amounts in NOK thousands

Note - 1 Accounting Principles

The financial statements consists of income statment, balance sheet, cash flow statement and notes to the accounts and have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Norwegian kroner (NOK) is used as functional and reporting currency in the accounts.

At the start of 2022, the company has been part of the Odfjell Drilling group. From 28 February 2022, the company has been part of the Odfjell Technology group. The ultimate parent company per 31 December 2022 is Odfjell Technology Ltd which has its business office in Aberdeen, Scotland. The consolidated financial statements are available on the company's website www.odfjelltechnology.com.

Revenue recognition

Revenues from the sale of goods are recognised in the income statement once delivery has taken place and most of the risk and return has been transferred.

Revenues from the sale of services and long-term manufacturing projects are recognised in the income statement according to the project's level of completion provided the outcome of the transaction can be estimated reliably. Progress is measured as the number of hours spent compared to the total number of hours estimated. When the outcome of the transaction cannot be estimated reliably, only revenues equal to the project costs that have been incurred will be recognised as revenue. The total estimated loss on a contract will be recognised in the income statement during the period when it is identified that a project will generate a loss.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

Trade and other receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.

Short term investments

Short term investments (stocks and shares seen as current assets) are valued at the lower of acquisition cost and fair value at the balance sheet date. Dividends and other distributions are recognized as other financial income.

Leasing and lease agreements

A distinction is made between financial and operational leasing.

Operating assets financed by financial leasing are classified in the accounts as property, plant and equipment. The counter-item is included as long-term debt. Rental amounts are divided between interest costs and installments on the debt.

Operational leasing is expensed as operating costs based on invoiced leasing rent.

Odfjell Offshore Ltd

Notes to the accounts for 2022

Amounts in NOK thousands

Pensions

Defined benefit plans are valued at the present value of accrued future pension benefits at the balance sheet date. Pension plan assets are valued at their fair value.

Changes in the pension obligations due to changes in pension plans are recognised over the estimated average remaining service period. Any gains due to plan amendments that arise due to unconditional plan amendments are used to reduce unrecognised actuarial gains or losses. Current service cost, interest expense and expected return for the remaining part of the accounting period are determined based on assumptions at the time of the plan amendments.

The accumulated effect of changes in estimates and in financial and actuarial assumptions (actuarial gains or losses) that is less than 10% of the higher of defined benefit pension obligations and pension plan assets at the beginning of the year is not recognised. When the accumulated effect is above 10% limit in the beginning of the financial period, the excess amount is recognised in the income statement over the estimated average remaining service period. The net pension cost for the period is classified as salaries and personnel costs.

Gains or losses that arise in connection with settlement or significant curtailment of defined benefit plans are recognised in the income statement at the settlement or curtailment. Current service cost, interest expense and expected return for the remaining part of the accounting period are determined based on assumptions at the time of the curtailment.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward.. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Use of estimates

The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Odfjell Offshore Ltd

Notes to the accounts for 2022

Amounts in NOK thousands

Note 2 - General information

Odfjell Offshore LTD ("the company") was incorporated on March 25, 2011 in Bermuda, for the purpose of continuing the investments in rig activities of its parent company, Odfjell Drilling Ltd. In May 2011, the company received shares in subsidiaries and associated companies and interest bearing loan as a contribution from Odfjell Drilling Ltd.

As part of the reorganization of Odfjell Drilling Group and spin off of the Well Services and Energy segments into Odfjell Technology Ltd., the ownership of Odfjell Offshore Ltd. has changed in 2022. 1 March 2022 the shares in the company was transferred from Odfjell Drilling Ltd. to Odfjell Technology Ltd. Subsequent of that transaction, the shares in Odfjell Offshore Ltd. was transferred from Odfjell Technology Ltd. to Odfjell Platform Drilling AS, which is currently the holder of all the shares in the company.

As part of the reorganisation, the USD loan receivable and cash pool receivables was settled or distributed to the parent company. In addition the company started operations with mainly NOK currency exposure. As of 2022 NOK is the currency of the primary economic environment in which the company operates. Therefore, the company has changed both functional and presentation currency in the financial statements from USD to NOK. Opening balances as at 1 January 2021 have been restated to NOK using a NOK to USD exchange rate of 8.5326, while balances as at 31 December 2021 was restated to NOK using a NOK to USD exchange rate of 8.8194.

The principle applied in the 2022 financial statements, is the same principle applied when converting the balance sheet and profit & loss from USD to NOK, for tax purposes. The company has submitted Norwegian tax papers since 2016, and have then converted the balance sheet and profit & loss statement from USD to NOK, to be able to deliver tax papers to Norwegian government. The same principles for the conversion from USD to NOK, is used since 2016 until today.

The principles used, is as follows:

Balance sheet accounts: for the 2020 accounts the currency rate USD/NOK as of 31 December 2020 is used, and the same principle is used for the 2021 balance sheet accounts, the USD/NOK currency rate as of 31 December 2021 is used.

Equity: for the equity accounts we have used the original USD/NOK currency rate, with adjustments for any conversion differences between years.

Profit & loss statement: Transactions are converted from USD to NOK using daily rates from Norges Bank according to the time of the transaction, and this principle is used both in 2020 and 2021 financial statements.

Material effects of the change of both functional and presentation currency from USD to NOK: there has been conversion differences due to this change in currency and the main explanation is that booked dividends in 2021 is paid out in February/March 2022 - with different currency rates in the 2021 financial statements versus the 2022 financial statements, and this conversion differences is booked through other equity - as shown in the table below:

Odfjell Offshore Ltd

Notes to the accounts for 2022

Amounts in NOK thousands

2020

All balance sheet accounts are converted to the currency rate as of 31. December 2020 according to Norges Bank, except for equity, where we have used the original currency rate for USD/NOK-currency rate

USD/NOK currency rate used on balance sheet accounts:

31.12.2020
8,5326

Equity 2020	USD	NOK	Currency rate used	Additional comment
Share capital	1 000	-8 550	8,5496	According to original USD/NOK currency rate
Other paid-in capital	-517 600	-4 657 119	8,9975	According to original USD/NOK currency rate + changes in capital in NOK
Other equity	394 119	3 579 390	9,0820	According to original USD/NOK currency rate + changes in capital in NOK
Other equity - Conversion differences from USD til NOK	N/A	6 740		Conversion differences
Other equity - Net result after tax	4 641	56 992		P & L converted from USD to NOK on the basis of daily rates from Norges Bank, per transaction
Other equity - Tax cost	-7 629	-65 093	8,5326	
Owners equity at 31.12.2020	-127 469	-1 087 641		

Transactions in the P & L statement are converted from USD to NOK using daily rates from Norges Bank according to the time of the transaction.

2021

All balance sheet accounts are converted to the currency rate as of 31. December 2021 according to Norges Bank, except for equity, where we have used the original currency rate for USD/NOK-currency rate

USD/NOK currency rate used on balance sheet accounts:

31.12.2021
8,8194

Equity 2021	USD	NOK	Currency rate used	Additional comment
Share capital	1 000	-8 550	8,5496	According to original USD/NOK currency rate
Other paid-in capital	-544 648	-4 657 119	8,5507	According to original USD/NOK currency rate + changes in capital in NOK
Other equity	418 179	3 578 028	8,5562	According to original USD/NOK currency rate + changes in capital in NOK
Other equity - Conversion differences from USD til NOK	N/A	-656		Conversion differences
Other equity - Net result after tax	158	-34 506		P & L converted from USD to NOK on the basis of daily rates from Norges Bank, per transaction
Other equity - Tax cost	-6 791	-59 896	8,8194	
Owners equity at 31.12.2021: exempt dividends paid in 2022	-134 102	-1 182 699		

Transactions in the P & L statement are converted from USD to NOK using daily rates from Norges Bank according to the time of the transaction.

2022

NOK is used as both functional and presentation currency, from FY 2022

31.12.2022

Equity 2022	USD	NOK	Currency rate used	Additional comment
Share capital	1 000	-8 550	8,5496	According to original USD/NOK currency rate
Other paid-in capital	-544 648	-4 657 119	8,5507	According to original USD/NOK currency rate + changes in capital in NOK
Other equity	418 179	3 578 028	8,5562	According to original USD/NOK currency rate + changes in capital in NOK
Other equity - Conversion differences from USD til NOK	N/A	-656		Conversion differences
Other equity - Net result after tax	158	-34 506		P & L converted from USD to NOK on the basis of daily rates from Norges Bank, per transaction
Other equity - Tax cost	-6 791	-59 896	8,8194	
Owners equity at 01.01.2022: exempt dividends paid in 2022	-134 102	-1 182 699		
Contribution to ODL: distributed in 2022, booked in financial statements in 2021*	16 250	144 235		
Distribution of dividend in specie to OTL: distributed in 2022, booked in financial statements in 2021**	117 000	1 036 092		
Owners equity 01.01.2022 before Group contribution 2022 and P & L for the year 2022***	-852	-2 372		
Group contribution received		-114 400		
Profit & Loss for the year		295 491		
Owners equity 31.12.22 in NOK		178 719		

	USD	Currency rate: February 2022	NOK
*MUSD 16,25	16 250	8,8760	144 235
**MUSD 117	117 000	8,8555	1 036 092
	133 250		1 180 327

	USD	Currency rate: 31.12.21	NOK
*MUSD 16,25	16 250	8,8194	143 315
**MUSD 117	117 000	8,8194	1 031 870
	133 250		1 175 185

	USD	Currency rate: 31.12.21	NOK
***Owners equity 01.01.2022 before Group contribution 2022 and P & L for the year 2022: converted to NOK	-852	8,8194	-7 514
Opening balance 01.01.2022 in NOK			-2 372
Difference between opening balance in NOK and opening balance in USD, converted to NOK			-5 142

Explanation difference opening balance: there is a currency difference due to the fact that the dividends was posted at the balance sheet date currency rate 8,8194 as of 31 December 2021 and paid out in February and March 2022 at a different currency rate: 8,8760 and 8,8555

0

Odfjell Offshore Ltd

Notes to the accounts for 2022

Amounts in NOK thousands

Note 3 - Operating revenue

Amounts in NOK thousands

	2022	2021
<i>By business area</i>		
Miscellaneous operating income	111 817	0
Hiring out of offshore personnel	1 369	0
Management fee	17 268	0
Revenue by business area	<u>130 454</u>	<u>0</u>
<i>Geographical distribution</i>		
Norwegian Continental shelf - Ekofisk	<u>130 454</u>	<u>0</u>
Revenue by geographical distribution	<u>130 454</u>	<u>0</u>

The company had no revenue in the fiscal year of 2021.

The revenue in 2022 comprises from management of the jack-up rig Linus, which the company took over the management as of per 30th September in 2022.

Note 4 - Payroll expenses, number of employees and loans to employees and auditor's fee

Amounts in NOK thousands

	2022	2021
<i>Wage costs</i>		
Salaries	49 273	0
Payroll tax	7 074	0
Pension costs, refer to note 5	4 156	0
Other payments	19 934	0
Total payroll expenses	<u>80 437</u>	<u>0</u>

The total number of employees in the company during the year: 177 labour year.

The company had no employees in the fiscal year of 2021.

Management remuneration

The General manager is employed in the parent company Odfjell Platform Drilling AS, and he get his salary from Odfjell Platform Drilling AS.

The company is required to have an occupational pension scheme in accordance with the Act of Mandatory Occupational Pensions. The company's pension schemes satisfy the requirements of this Act.

<i>Auditor fee has been divided as follows</i>	2022	2021
Statutory audit fee	40	25
Other services	3	0

VAT is not included in the auditor fees.

Odfjell Offshore Ltd

Notes to the accounts for 2022

Amounts in NOK thousands

Note 5 - Pensions

Amounts in NOK thousands

The company is obliged to have a pension scheme for its employees, called "OTP - Obligatorisk tjenestepensjon" after the norwegian law "Lov om obligatorisk tjenestepensjon", and the company meet the requirements of this Act.

The company has a collective deposit-based scheme with a savings component and associated risk coverage of victims, spouse's and children's pension. This scheme covers 177 employees per 31.12.2022 (0 employees per 31.12.2021, the company had no employees in 2021).

Obligations in the AFP scheme

The company is a member of the AFP scheme. The AFP scheme is a scheme that provides a lifelong supplement to it arrange the pension. The employees can choose to "take out the new AFP scheme from the age of 62". The new The AFP scheme is a benefit-based multi-company pension scheme and is financed through premiums such as is determined as a percentage of I nn. As a result, there is no reliable measurement and allocation of liability and funds in the scheme. In terms of accounting, the scheme is treated as a defined contribution pension scheme where premium payments are cost dependent, and no provision is made in the accounts.

In 2022, the premium amounted to 2.6% of loans between 1G and 7.1G. The premium rate will be unchanged in 2023.

	2022	2021
Cost contribution-based pension	1 960	0
Cost arrangement accounted for as contribution-based	2 196	0
Sum total pension costs	4 156	0

Note 6 - Transactions with group companies: Expenses from group companies

Amounts in NOK thousands

The company has had several different transactions with related parties. All transactions are carried out as part of the ordinary business and at market prices.

Related party	Type of transaction	2022	2021
OT Ltd Group - group company	Hired personnel	9 043	0
OT Ltd Group - group company	Hired operational services	13 912	0
OT Ltd Group - group company	Management fee	0	119
Total		22 955	119

The company is part of the group Odfjell Technology Ltd (OT Ltd Group) and is included in consolidated financial statements. OT Ltd Group is closely related to the group Odfjell Drilling Ltd (OD Ltd Group).

Odfjell Offshore Ltd

Notes to the accounts for 2022

Amounts in NOK thousands

Note 7 - Operating expenses

Amounts in NOK thousands

<i>Operating expenses</i>	2022	2021
Freight	446	0
Costs of premises	450	0
Tools and equipment	6 283	0
Repairs and maintenance	2 372	0
Hired services	30 421	958
Travel expenses	1 832	0
Other operating and administrative expenses	867	101
Sum	<u>42 671</u>	<u>1 059</u>

Note 8 - Financial income and expenses

Amounts in NOK thousands

<i>Financial income</i>	2022	2021
Interest income	1 269	5 198
Foreing exchange gain (agio)	6 367	29 900
Other financial income	1	476
Sum financial income	<u>7 638</u>	<u>35 574</u>
 <i>Financial expenses</i>	 2022	 2021
Interest expenses	-20	-9
Sum financial expenses	<u>-20</u>	<u>-9</u>
 <i>Net financial items</i>	 2022	 2021
Net financial items	<u>7 618</u>	<u>35 565</u>
Sum net financial items	<u>7 618</u>	<u>35 565</u>

Odfjell Offshore Ltd

Notes to the accounts for 2022

Amounts in NOK thousands

Note 9 - Transactions with group companies: Income from group companies

Amounts in NOK thousands

The company has had several different transactions with related parties. All transactions are carried out as part of the ordinary business and at market prices.

<i>Related party</i>	<i>Type of transaction</i>	2022	2021
OD Ltd Group - related party	Interest income - Loan	820	6 083
Total		820	6 083

The company is part of the group Odfjell Technology Ltd (OT Ltd Group) and is included in consolidated financial statement. OT Ltd Group is closely related to the group Odfjell Drilling Ltd (OD Ltd Group).

Note 10 - Income taxes

Amounts in NOK thousands

<i>Income tax expenses</i>	2022	2021
Tax payable	3 292	0
Too much/little allocated in previous year(s): from 2017 - 2021*	307 163	0
Change in deferred tax	0	-59 896
Total income tax expense	310 455	-59 896

<i>Tax base estimation</i>	2022	2021
Ordinary result before tax	14 965	34 506
Permanent differences	0	656
Changes in temporary differences	0	-436
General income	14 965	34 726
Utilization of unrecognized tax loss carried forward	0	-306 981
Group contribution recieved, netted against tax loss carry forward	146 666	272 255
Tax base	161 631	0
Tax payable (22 %) of this years tax base	35 559	0
Too much/little allocated in previous year(s): from 2017 - 2021	307 163	0
Sum tax payable (22 %)	342 722	0

*Explanation too much/little allocated in previous year(s) (amounts in NOK thousands): NOK 307 163 comprises of the following elements:

Residual tax: NOK 296 912

Interest supplement: NOK 952

Interest due to increase in tax: NOK 9 299

Odfjell Offshore Ltd

Notes to the accounts for 2022

Amounts in NOK thousands

Note 11 - Taxation

Odfjell Offshore Ltd is registered in Bermuda. There is no Bermuda income, corporation, or profit tax, withholding tax, capital gains, capital transfer tax, estate duty or inheritance tax payable by the company or its shareholders not ordinarily resident in Bermuda. The company is not subject to Bermudan stamp duty on the issue, transfer or redemption of its shares.

The Company has received from the Minister of Finance of Bermuda under the Exempted Undertakings Tax Protection Act 1996 an assurance that, in the event of there being enacted in Bermuda any legislation imposing tax computed on profits or income, or computed on any capital assets, gain or appreciation or any tax in the nature of estate duty or inheritance tax, such tax shall not until 2035 be applicable to the company or to any of its operations, or to the shares, debentures or other obligations of the company except insofar as such tax applies to persons ordinarily resident in Bermuda and holding such shares, debentures or other obligations of the company or any land leased or let to the company.

As an exempted entity, the Company is liable to pay a registration fee in Bermuda at a rate presently amounting to USD 8 780 per annum.

The company was registered as a Norwegian Registered Foreign Company (NUF) on 08.03.2016 after migration of the company in January 2016, and is taxable for income to Norway. In 2017, the company filed for a tax deduction, of approximately NOK 2.3 billion, on redemption of shares of shares in Deep Sea Metro Ltd. A total of NOK 1 billion of this loss has been utilised through group contributions received from other Norwegian entities within the Odfjell Drilling Ltd group in the period 2017 to 2020, and a further NOK 0.3 billion is utilised in 2021.

In 2018, the Norwegian Tax authorities requested further information regarding the deductibility for these tax losses. In March 2021 the company received a new letter from the Norwegian Tax authorities where they argue that Company is not tax resident in Norway, and if it is, that the losses are not deductible and warn of a potential change in the Company's tax return as a consequence of this. At the same time, further information was requested in the letter.

21 December 2022 Odfjell Offshore Ltd received a tax ruling from the Norwegian Tax Authorities where the tax loss of on the realization of shares in 2017 was denied on the basis of the antiavoidance rule developed as tax case law. Odfjell Offshore Ltd will appeal the ruling, and the company 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 company made an upfront payment 1 February 2023 of NOK 307 million in taxes and interest for the financial years 2017 through to 2021. The amount was financed and refunded from Odfjell Drilling Ltd., as it is covered by the letter of indemnity issued 1 March 2022 to Odfjell Technology Ltd (OTL). OTL has on 1 March 2022 issued a letter of financial support to Odfjell Offshore Ltd, declaring that if OTL is indemnified by Odfjell Drilling Ltd for the relevant tax liability, OTL will, if so requested and if needed, contribute relevant funds into Odfjell Offshore Ltd.

In accordance with Norwegian accounting principles, the company has to recognise the tax cost of NOK 307 million in the 2022 profit and loss.

Odfjell Offshore Ltd

Notes to the accounts for 2022

Amounts in NOK thousands

Letter of indemnity and letter of financial support

Odfjell Drilling Ltd. has on 1 March 2022 issued a letter of indemnity to Odfjell Technology Ltd. (OTL), to hold OTL indemnified in respect of any liability that may incur in relation to the ongoing Odfjell Offshore Ltd tax enquiries. This include financing of any (pre-)payments to the Norwegian Tax Authorities, and funds for any legal proceedings.

OTL has on 1 March 2022 issued a letter of financial support to Odfjell Offshore Ltd, declaring that If OTL is indemnified by Odfjell Drilling Ltd for the relevant tax liability, OTL will, if so requested and if needed, contribute relevant funds into Odfjell Offshore Ltd. This include funds received from Odfjell Drilling Ltd. in relation to (pre-)payments or legal proceedings.

Decomposition of tax cost and interest (amounts in NOK thousands):

NOK 307 163 comprises of the following elements:

Residual tax: NOK 296 912

Interest supplement: NOK 952

Interest due to increase in tax: NOK 9 299

Odfjell Offshore Ltd

Notes to the accounts for 2022

Amounts in NOK thousands

Note 12 - Owners equity

Amounts in NOK thousands

As part of the reorganization of Odfjell Drilling Group and contemplating spin off of the Well Services and Energy segments into Odfjell Technology Ltd., distribution of contributed capital was resolved in 2022. On 23 February 2022, the company resolved that a distribution from contributed surplus of *USD 16.25 million was to be made to Odfjell Drilling Ltd., and to be settled by transfer of receivables. On 1 March, following the transfer of the shares in the company, see further information below, a distribution from contributed surplus of the NOK equivalent of **USD 117 million, being an in specie distribution of a loan receivable, was made to Odfjell Technology Ltd.

USD/NOK currency rate used in the balance sheet:

31.12.2020

8,5326

	Share capital	Other paid-in capital	Other equity	Total
Owners equity 31.12.20 in USD	1 000	517 600	-394 119	124 481
Currency rate used: for balance sheet accounts the rate as of 31 December 2020 is used, and for equity we have used the original USD/NOK currency rate.	8,5496	8,9975	9,0820	
Converted USD to NOK	8 550	4 657 119	-3 578 028	1 087 641
Owners equity 01.01.21 in NOK	8 550	4 657 119	-3 578 028	1 087 641
Other equity - Currency translation difference, converted from USD to NOK			656	656
Other equity - Net result after tax			34 506	34 506
Other equity - Tax cost			59 896	59 896
Contribution to ODL: distributed in 2022, booked in financial statements in 2021*		-144 235		-144 235
Distribution of dividend in specie to OTL: distributed in 2022, booked in financial statements in 2021**		-1 036 092		-1 036 092
Owners equity 31.12.21 in NOK	8 550	3 476 792	-3 482 970	2 372
Group contribution received		114 400		114 400
Profit & Loss for the year			-295 491	-295 491
Owners equity 31.12.22 in NOK	8 550	3 591 192	-3 778 461	-178 719

The company's equity is lost as of 31 December 2022, due to extraordinary costs regarding tax-matter, from 2017 until 2021 (please refer to note 11 for more information regarding this tax-matter). The company made an upfront payment 1 February 2023 of NOK 307 million in taxes and interest for the financial years 2017 through to 2021. The amount was financed and refunded from Odfjell Drilling Ltd., as it is covered by the letter of indemnity issued 1 March 2022 to Odfjell Technology Ltd (OTL). OTL has on 1 March 2022 issued a letter of financial support to Odfjell Offshore Ltd, declaring that if OTL is indemnified by Odfjell Drilling Ltd for the relevant tax liability, OTL will, if so requested and if needed, contribute relevant funds into Odfjell Offshore Ltd.

In accordance with Norwegian accounting principles, the company has to recognise the tax cost of NOK 307 million in the 2022 profit and loss. The financial statements for the fiscal year 2022 is submitted in accordance with the section 3-3 of the Accountancy Act, and we confirm that the company meets the requirements for continuation as a going concern. This is based on the letter of financial support provided by Odfjell Technology Ltd as described in note 11 and above, it is also based on the ordinary operation of the company which is good and the budget for the years to come. The company is also included in the group account scheme, which makes liquidity available for the company, to pay it's creditors and pay-roll etc.

Odfjell Offshore Ltd

Notes to the accounts for 2022

Amounts in NOK thousands

Note 13 - Receivables and debt

Amounts in NOK thousands

	2022	2021
<i>Trade receivables</i>		
Trade receivables - external, gross amount	49 994	0
Total	49 994	0
<i>Short term receivables</i>		
Other short term receivables group companies, note 14	160 044	159 892
Prepaid costs	280	147
VAT receivable	0	22
Other short term receivables	348	0
Total	160 672	160 062
<i>Short term debts</i>		
Prepayments from customers	-23 716	0
Short term debt to group companies, note 14	-18 233	-1 180 327
Accrued holiday pay	-1 324	0
Other accrued expenses	-6 003	0
Total	-49 277	-1 180 327
<i>Trade payables</i>		
Trade payables - external	-1 882	-15
Trade payables - group companies, note 14	-4 445	0
Total	-6 327	-15

Odfjell Offshore Ltd

Notes to the accounts for 2022

Amounts in NOK thousands

Note 14 - Receivables and liabilities group companies

Amounts in NOK thousands

Receivables and debts between group companies (same group) and group companies (affiliated groups) relate to ongoing operations and group contributions.

<i>Short-term operating-related receivables</i>	2022	2021
OT Ltd Group - group companies*	12 643	18 080
OD Ltd Group - related parties*	734	141 812
Sum short-term operating-related receivables	<u>13 377</u>	<u>159 892</u>
 <i>Short-term operating debt</i>	 2022	 2021
OT Ltd Group - group companies	-22 559	0
OD Ltd Group - related parties	-118	0
Sum short-term operating debt	<u>-22 678</u>	<u>0</u>
 <i>Group contribution and dividends</i>	 2022	 2021
OT Ltd Group - group companies - received**	146 666	
OT Ltd Group - group companies - given***	0	-1 036 385
OD Ltd Group - related parties - given***	0	-143 942
Sum group contribution - dividends (received + / given -)	<u>146 666</u>	<u>-1 180 327</u>

*Opening balance 2022: consists of Group contribution from 2021

**Group contribution

***Dividends

The company is part of the group Odfjell Technology Ltd (OT Ltd Group) and is included in consolidated financial statements. OT Ltd Group is closely related to the group Odfjell Drilling Ltd (OD Ltd Group).

Note 15 - Group account Odfjell Technology Ltd

Amounts in NOK thousands

The company's operating bank-accounts per 31/12/2022 are included in the group account scheme where Odfjell Technology Ltd is group account owner and thus owner of the bank funds. The group account system has been created for the purpose of contributing to optimize liquidity management in the Odfjell Technology Ltd. The company has joint and several liability for deposits in the group account arrangement, and does not have separatist rights for funds included in the group account arrangement.

Net income at the group account arrangement is classified as other short-term receivables in the balance sheet.

<i>Group accounts</i>	2022	2021
NOK	12 314	-50 198
USD	9 673	693 475
Net amount group accounts (+ receivable / - payable)	<u>21 986</u>	<u>643 278</u>

Odfjell Offshore Ltd

Notes to the accounts for 2022

Amounts in NOK thousands

Note 16 - Bank deposit

Amounts in NOK thousands

	2022
Bank deposits for tax withholdings	10 343

Note 17 - Equity

Amounts in NOK thousands

Share capital:

	Number of shares	Face value	Book value
Odfjell Technology Lt	100 000 000	85,496	8 549 600

The share capital is converted from USD to NOK with the currency rate used in the Norwegian tax papers for 2021, at a rate of NOK 8,5496 (as of 31 December 2021).



To the General Meeting of Odfjell Offshore Ltd

Independent Auditor's Report

Opinion

We have audited the financial statements of Odfjell Offshore Ltd, which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Offices in:

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Bergen, 4 May 2023
KPMG AS

Ståle Christensen
State Authorised Public Accountant
(This document is signed electronically)

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Ståle Christensen

Partner

På vegne av: KPMG AS

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Appendix 17 – Financial statements for Odfjell Technology Invest Ltd as of and for the financial years ended 31 December 2023 and 31 December 2022



knowing you

**ODFJELL TECHNOLOGY INVEST LTD.
SEPARATE FINANCIAL STATEMENTS AND REPORTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

**ODFJELL TECHNOLOGY INVEST LTD.
SEPARATE FINANCIAL STATEMENTS AND REPORTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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Separate statement of profit or loss and other comprehensive income	6
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Notes to the separate financial statements	9 - 29

ODFJELL TECHNOLOGY INVEST LTD.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors submit their report together with the audited separate financial statements of Odfjell Technology Invest Ltd. (the Company) for the year ended 31 December 2023.

Principal activities

The principal activities of the Company include owning, investing, trading and rental of oilfield & natural gas equipment & spare parts. The Company is also engaged in investment activities.

Financial results and appropriations

The financial results of the Company for the year ended 31 December 2023 are set out in the separate statement of profit or loss and other comprehensive income.

Events after the reporting period

There are no significant events after the reporting period.

Shareholder and its interest

M/s Odfjell Technology Ltd., a Company registered in Bermuda is the sole shareholder of the Company as at the reporting date. There were no changes to the shareholding structure during the year.

Directors

The Directors who served during the year were as follows;

Ms. Helene Odfjell

Mr. Simen Lieungh

Mr. Alasdair G. Shiach

Auditors

The separate financial statements have been audited by M/s. Kreston Menon Chartered Accountants, who retire and, being eligible, offer themselves for reappointment.

Helene Odfjell

Helene Odfjell

Director

23 August 2024

Simen Lieungh

Simen Lieungh

Director

Alasdair Shiach

Alasdair G. Shiach

Director



SA/4748E/AMD/AUG/2024

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
ODFJELL TECHNOLOGY INVEST LTD.****Report on the Audit of the Separate Financial Statements****Opinion**

We have audited the separate financial statements of Odfjell Technology Invest Ltd. (the Company), which comprise the separate statement of financial position as at 31 December 2023, and the separate statement of profit or loss and other comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including a summary of material accounting policies.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the unconsolidated financial position of the Company as at 31 December 2023 and its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the separate financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
ODFJELL TECHNOLOGY INVEST LTD. (Continued)**

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
ODFJELL TECHNOLOGY INVEST LTD. (Continued)**

- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Dubai
23 August 2024



Saju Augustine FCA
Reg. No: 136
Kreston Menon Chartered Accountants

**ODFJELL TECHNOLOGY INVEST LTD.
SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Notes	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Assets			
Non-current assets			
Operating equipment	5	82,652,966	92,524,073
Intangible assets	6	2,436,456	3,001,930
Investment in subsidiaries	7	13,206,874	13,206,874
Total non-current assets		98,296,296	108,732,877
Current assets			
Inventories	8	3,651,836	2,134,639
Prepayments and other receivables	9	2,084,831	968,467
Due from related parties	10.b	12,500,472	10,883,915
Cash and cash equivalents	11	46,338,750	17,430,258
Total current assets		64,575,889	31,417,279
Total assets		162,872,185	140,150,156
Equity and liabilities			
Equity			
Share capital	12	12,000	12,000
Contributed capital	13	93,752,562	93,752,562
Retained earnings		66,347,123	45,050,851
Total equity		160,111,685	138,815,413
Liabilities			
Non-current liabilities			
Provision for employees' end of service benefits	14	279,716	213,171
Total non-current liabilities		279,716	213,171
Current liabilities			
Trade and other payables	15	2,454,993	1,041,978
Due to related parties	10.c	25,791	79,594
Total current liabilities		2,480,784	1,121,572
Total liabilities		2,760,500	1,334,743
Total equity and liabilities		162,872,185	140,150,156

The accompanying notes on pages 9 to 29 form an integral part of these separate financial statements.

The report of the independent auditor is set forth on pages 2 to 4.

Authorised for issue by directors on 23 August 2024.

For Odfjell Technology Invest Ltd.

Helene Odfjell

Helene Odfjell
Director

Simen Lieungh

Simen Lieungh
Director

Alasdair Shiach

Alasdair G. Shiach
Director



**ODFJELL TECHNOLOGY INVEST LTD.
SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Revenue	16	45,425,925	40,507,421
Cost of revenue	17	(27,207,699)	(24,632,325)
Gross profit		18,218,226	15,875,096
Other income	18	4,715,716	2,577,472
Administrative expenses	19	(1,637,670)	(2,271,546)
Profit for the year		21,296,272	16,181,022
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>21,296,272</u>	<u>16,181,022</u>

The accompanying notes on pages 9 to 29 form an integral part of these separate financial statements.

The report of the independent auditor is set forth on pages 2 to 4.



ODFJELL TECHNOLOGY INVEST LTD.
SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

	<u>Share capital</u> <u>USD</u>	<u>Capital contribution</u> <u>USD</u>	<u>Retained Earnings</u> <u>USD</u>	<u>Total</u> <u>USD</u>
Balance at 1 January 2022	12,000	113,752,562	28,869,829	142,634,391
Total comprehensive income for the year	-	-	16,181,022	16,181,022
Repayment during the year	-	(20,000,000)	-	(20,000,000)
Balance at 31 December 2022	12,000	93,752,562	45,050,851	138,815,413
Total comprehensive income for the year	-	-	21,296,272	21,296,272
Balance at 31 December 2023	12,000	93,752,562	66,347,123	160,111,685

The accompanying notes on pages 9 to 29 form an integral part of these separate financial statements.

The report of the independent auditor is set forth on pages 2 to 4.



**ODFJELL TECHNOLOGY INVEST LTD.
SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Cash flows from operating activities		
Profit for the year	21,296,272	16,181,022
Adjustments for:		
Depreciation	26,555,845	23,869,440
Amortisation	624,867	482,394
(Gain) on disposal of operating equipment	(2,288,384)	(1,238,557)
Provision for employees' end of service benefits	66,545	64,959
Loss on write-offs of operating equipment	-	15,045
Interest income	(1,208,469)	(135,764)
Operating cash flows before changes in working capital	45,046,676	39,238,539
(Increase) in inventories	(1,517,197)	(410,226)
(Increase)/decrease in prepayments and other receivables	(1,116,364)	2,996,405
(Increase) in due from related parties	(1,616,557)	(997,128)
Increase in trade and other payables	1,413,015	76,474
(Decrease) in due to related parties	(53,803)	(3,101,392)
Cash generated from operations	42,155,770	37,802,672
Employees' end of service benefits paid	-	(5,606)
Net cash generated from operating activities	42,155,770	37,797,066
Cash flows from investing activities		
Interest received	1,208,469	135,764
Purchase of operating equipment	(12,817,587)	(30,663,276)
Additions to capital work-in-progress	(4,328,924)	(1,859,587)
Proceeds from disposal of operating equipment	2,711,366	1,540,154
Additions to intangible assets	(20,602)	(277,699)
Net cash (used in) investing activities	(13,247,278)	(31,124,644)
Cash flows from financing activities		
Capital repayment during the year	-	(20,000,000)
Net cash (used in) financing activities	-	(20,000,000)
Net increase/(decrease) in cash and cash equivalents	28,908,492	(13,327,578)
Cash and cash equivalents at beginning of year	17,430,258	30,757,836
Cash and cash equivalents at end of year (Note 11)	46,338,750	17,430,258

The accompanying notes on pages 9 to 29 form an integral part of these separate financial statements.

The report of the independent auditor is set forth on pages 2 to 4.



**ODFJELL TECHNOLOGY INVEST LTD.
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. GENERAL INFORMATION :

Odfjell Technology Invest Ltd. (the Company) was incorporated on 10 July 2003 in Bermuda under Registration no. 33920, issued by the Registrar of Companies in Bermuda. The registered address of the Company is Clarendon House, 2 Church street, Hamilton HM 11, Bermuda and is a tax resident in the United Kingdom with its head office at Prime View Prime Four Business Park, Aberdeen, Kingswells, AB15 8PU, Scotland, United Kingdom. The Company has a branch established in Dubai, United Arab Emirates.

The parent company was Odfjell Drilling Services Ltd. and the ultimate parent company was Odfjell Drilling Ltd. Effective from 1 March 2022, 100% shares of the Company were transferred by Odfjell Drilling Services Ltd. (retiring shareholder) to Odfjell Technology Ltd. (new shareholder), a Company registered in Bermuda and accordingly Odfjell Technology Ltd. became parent and ultimate parent of the company. The registered address of the parent company is Clarendon House, 2 Church street, Hamilton HM 11, Bermuda and is a tax resident in United Kingdom with its head office at Prime View Prime Four Business Park, Aberdeen, Kingswells, AB15 8PU, Scotland, United Kingdom.

Effective 29 March 2022, the name of the Company has changed to Odfjell Technology Invest Ltd.

The principal activities of the Company include owning, investing, trading and rental of oilfield & natural gas equipment & spare parts. The Company is also engaged in investment activities.

2. PRESENTATION OF SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY :

These financial statements are presented as separate financial statements wherein investments of the Company in its subsidiaries are carried at cost without consolidating the financial results of the subsidiaries. A copy of the consolidated financial statements of the ultimate parent company can be obtained from Odfjell Technology Ltd., Bergen House, Crawpeel Road, Altens, Aberdeen, Scotland, United Kingdom and the consolidated financial statements comply with International Financial Reporting Standards.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES AND DISCLOSURES :

3.1 Basis of preparation

The separate financial statements have been prepared on the historical cost basis. The separate financial statements are presented in United States Dollar (USD) and all values are rounded to the nearest USD. The principal accounting policies adopted are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.2 Statement of compliance

The separate financial statements of the Company have been prepared in accordance with International Financial Reporting Standards.

3.3 Adoption of new and revised International Financial Reporting Standards

The following new and revised Standards including amendments thereto and Interpretations which became effective for the current reporting period have been adopted, wherever applicable. Their adoption has not had any significant impact on the amounts reported in these separate financial statements but may affect the financial reporting for future transactions or arrangements.



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Amendments to IAS 1 - Disclosure of Accounting Policies
Amendments to IAS 8 - Definition of Accounting Estimates
Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction
IFRS 17: Insurance Contracts

The following Standards, amendments thereto and interpretations have been issued prior to 31 December 2023 but have not been applied in these separate financial statements as their effective dates of adoption are for future periods. It is anticipated that their adoption in the relevant accounting periods will have impact only on disclosures within the separate financial statements.

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Date to be determined
Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback- 1 January 2024
Amendments to IAS 1- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - 1 January 2024
Amendments to IAS 7 and IFRS 7- Supplier Finance Arrangements - 1 January 2024
Amendments to IAS 21- Lack of Exchangeability - 1 January 2025

3.4 Foreign currencies

(a) Functional and presentation currency

The separate financial statements are prepared and the items included in the separate financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The separate financial statements are presented in USD, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of outstanding amounts of such transactions and from the re-translation of monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are recognised in the profit or loss. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

3.5 Operating equipment

Operating equipment is stated at cost less accumulated depreciation and identified impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items including installation costs. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss during the reporting period in which they are incurred.

Capital work-in-progress is stated at cost, less any recognised impairment loss. Depreciation of these assets commences when the assets are ready for their intended use.



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The depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows;

	Years
Operating equipment	3 - 20

The assets' residual values and useful lives are reviewed at the end of the reporting period, with the effect of any changes in estimates adjusted on a prospective basis. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The gains or losses arising on the disposal or retirement of an item of operating equipment is determined by comparing the disposal proceeds with the carrying amount of the asset and is recognised in the profit or loss.

3.6 Investment in subsidiaries

Subsidiaries are entities (including structured entities) controlled by the Company. Control is achieved when the Company has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power.

Investment in subsidiaries are stated at cost less identified impairment losses, if any.

3.7 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs that are directly attributable to the design and testing of identifiable assets controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the operating asset so that it will be available for use;
- management intends to complete the operating asset to use or sell it;
- there is an ability to use or sell the operating asset;
- it can be demonstrated how the operating asset will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the operating asset are available; and
- the expenditure attributable to the operating asset during the development can be reliably measured.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each reporting period end.



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Intangible assets represent intellectual property rights and are amortised over their estimated useful life of 3 to 10 years.

3.8 Leases

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

3.9 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined using the first-in first-out method and comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing them to their present location and condition. Net realisable value represents the estimate of the selling price in the ordinary course of business, less all estimated costs to completion and costs necessary to make the sale.

3.10 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as revaluation increase.

3.11 Financial instruments

Financial assets and financial liabilities are recognised in the Company's separate statement of financial position when the Company becomes a party to the contractual provisions of the instrument.



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Financial assets and financial liabilities (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) are initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Financial assets

A financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVTOCI") – debt investment; fair value through other comprehensive income ("FVTOCI") – equity investment; or fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are; solely; payments of principal and interest on the outstanding principal amount.

All financial assets of the Company are classified as and are subsequently measured at amortised cost using the effective interest method and is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit or loss.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another Company. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss.

All financial liabilities of the Company are classified as and are subsequently measured at amortised cost using the effective interest method.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the sum of consideration paid and payable is recognised in profit or loss.

3.12 Impairment of financial assets

'Expected Credit Loss' (ECL) model requires considerable judgement in selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The Company records an allowance for ECLs for all financial assets at amortised cost, debt investments at FVTOCI, but not to investments in equity instruments.



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The Company measures impairment allowances using general or simplified approach as considered appropriate. Loss allowances are measured on either of the following bases:

12 month ECLs: these are ECLs that result from possible default within 12 months after the reporting date; and

Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

ECLs under the general approach are a probability weighted estimate of credit losses which are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

ECLs under the standard's simplified approach are calculated based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

The Company considers a financial asset in default when contractual payments are past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by Company.

3.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit and other short-term highly liquid investments with a maturity date of three months or less from the date of investment, net of temporary bank overdrafts.

3.14 Contributed capital

Ordinary shares are classified as equity. Contribution from shareholder which are non-reciprocal in nature are considered as contributed capital presented in the statement of changes in equity.

3.15 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is recognised in the profit or loss, net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Provisions are not recognised for future operating losses.

3.16 Provision for employees' benefits

Provision for employees' end of service benefits is made in accordance with the UAE labour laws, and is based on current remuneration and periods of service at the end of the reporting period. The provision relating to employees' end of service benefits is disclosed as a non-current liability.



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3.17 Revenue recognition

Revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control, at a point in time or over time, requires judgement. The Company recognises revenue from sale of goods or rendering of services based on a five-step model as follows:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer goods or render services to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the Company satisfies a performance obligation.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which performance obligation is satisfied.

When the Company satisfies a performance obligation by delivering the promised goods or services, it creates a contract asset based on the amount of consideration earned by the performance. A contract asset becomes trade receivable when the Company's right to the consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. Where the amount of consideration received from a customer exceeds the amount of revenue recognised, this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty.

Sale of operating equipment

Revenue from sale of operating equipment is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment and issuance of the invoices to customers.



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Services rendered

Revenue is recognised during the rental period in which the equipment and related services are utilised by the customer.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and effective interest rate applicable.

4. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS :

The preparation of the Company's separate financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

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. Actual results may differ from these estimates.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below;

a) *Estimated useful lives of operating equipment and intangible assets*

Management assigns useful lives and residual values to operating equipment and intangible assets based on the intended use and the economic lives of those assets. Subsequent changes in circumstances could result in the actual useful lives or residual values differing from initial estimates. Where management determines that the useful life or residual value of an asset requires amendment, the net book amount in excess of the residual value is depreciated/amortized over the revised remaining useful life.

b) *Impairment of non-financial assets*

Assessments of net recoverable amounts of operating equipment, intangible assets and other non-financial assets are based on assumptions regarding future cash flows expected to be received from the related assets.

c) *Inventory provisions*

The Company reviews the carrying amounts of the inventories at the end of the reporting period and assesses the likely realization proceeds taken into account, the age of inventory, estimated future demand for various items in the inventory, and physical damage etc. Based on the assessment, no provisions are required as at the end of the reporting period.

d) *Significant increase in credit risk*

ECLs are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.



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e) Business model assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

f) Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

g) Employees' end of service benefits

The Company computes the provision for the liability to employees' end of service benefits assuming that all employees were to leave as of the reporting date. The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.

5. OPERATING EQUIPMENT :

Cost	<u>Operating equipment</u> <u>USD</u>	<u>Capital work-in- progress</u> <u>USD</u>	<u>Total</u> <u>USD</u>
At 1 January 2022	362,729,589	3,202,299	365,931,888
Additions	30,663,276	1,859,587	32,522,863
Transfers	1,234,570	(1,234,570)	-
Transfer to intangible assets (Note 6)	-	(341,953)	(341,953)
Disposals	(3,539,823)	-	(3,539,823)
Write-offs	(14,113,164)	-	(14,113,164)
At 31 December 2022	376,974,448	3,485,363	380,459,811
Additions	12,817,587	4,328,924	17,146,511
Transfers	2,020,666	(2,020,666)	-
Transfer to intangible assets (Note 6)	-	(38,791)	(38,791)
Disposals	(1,794,453)	-	(1,794,453)
Write-offs	(6,656,832)	-	(6,656,832)
At 31 December 2023	383,361,416	5,754,830	389,116,246



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	<u>Operating equipment</u> USD	<u>Capital work-in- progress</u> USD	<u>Total</u> USD
Accumulated depreciation			
At 1 January 2022	281,402,643	-	281,402,643
Charge for the year (Note 17)	23,869,440	-	23,869,440
Adjustment on disposals	(3,238,226)	-	(3,238,226)
Adjustment on write-offs	(14,098,119)	-	(14,098,119)
At 31 December 2022	287,935,738	-	287,935,738
Charge for the year (Note 17)	26,555,845	-	26,555,845
Adjustment on disposals	(1,371,471)	-	(1,371,471)
Adjustment on write-offs	(6,656,832)	-	(6,656,832)
At 31 December 2023	306,463,280	-	306,463,280
Net book amount			
At 31 December 2023	76,898,136	5,754,830	82,652,966
At 31 December 2022	89,038,710	3,485,363	92,524,073

Capital work-in-progress represents the costs incurred for specialised tools and operating equipment which were not ready for their intended use as at the end of the reporting period.

Additions to operating equipment includes USD 76,965/- (2022: USD 282,758/-) purchased from related parties (Note 10.a).

Additions to capital work-in-progress include capitalised staff cost aggregating to USD 1,073,537/- (2022: USD 744,642/-) for the development of certain specialised tools (Note 20).

6. INTANGIBLE ASSETS :

	<u>Acquired</u> USD	<u>Internally developed</u> USD	<u>Total</u> USD
Cost			
At 1 January 2022	3,865,580	1,331,860	5,197,440
Transfer from operating equipment (Note 5)	-	341,953	341,953
Additions	-	277,699	277,699
At 31 December 2022	3,865,580	1,951,512	5,817,092
Transfer from operating equipment (Note 5)	-	38,791	38,791
Additions	-	20,602	20,602
At 31 December 2023	3,865,580	2,010,905	5,876,485



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	<u>Acquired USD</u>	<u>Internally developed USD</u>	<u>Total USD</u>
Accumulated depreciation			
At 1 January 2022	1,665,724	667,044	2,332,768
Charge for the year (Note 17)	386,556	95,838	482,394
At 31 December 2022	2,052,280	762,882	2,815,162
Charge for the year (Note 17)	386,558	238,309	624,867
At 31 December 2023	2,438,838	1,001,191	3,440,029
Net book amount			
At 31 December 2023	1,426,742	1,009,714	2,436,456
At 31 December 2022	1,813,300	1,188,630	3,001,930

Intangible assets acquired include technology and know-how acquired amounting to USD 1,750,000/- and technical drawings and patents acquired amounting to USD 1,650,000/-.

Intangible assets internally developed represent costs incurred in connection with developing a new drillhole cleaning tool and mobile application.

Intangible assets are amortised on a straight line basis over their estimated useful life of 3 to 10 years.

7. INVESTMENT IN SUBSIDIARIES :

	<u>31.12.2023 USD</u>	<u>31.12.2022 USD</u>
Investments in subsidiaries	13,206,874	13,206,874
Listing of investments is as follows:		
Odfjell Well Services Ltd.	11,689,437	11,689,437
Odfjell Well Services Norway AS	1,484,090	1,484,090
Odfjell Well Services Cooperatief U.A.	-	-
Odfjell Well Services II Ltd.	18,823	18,823
Odfjell Arabia Drilling Services Co.	-	-
Odfjell Well Services AS	14,524	14,524
Odfjell Well Services (UK) Ltd.	-	-
	13,206,874	13,206,874



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The Company has ownership interest in the following subsidiaries as at 31 December 2023 as follows:

Name of subsidiary	Country of incorporation	Principal activity	Ownership interest of the Company	
			2023	2022
i) Odfjell Well Services Ltd.	British Virgin Islands	Well services	100%	100%
ii) Odfjell Well Services Norway AS	Norway	Well services	100%	100%
iii) Odfjell Well Services Cooperatief U.A.	The Netherlands	Well services	99%	99%
iv) Odfjell Well Services II Ltd.	Bermuda	Well services	100%	100%
v) Odfjell Arabia Drilling Services Co.*	Kingdom of Saudi Arabia	Well services	20%	20%
vi) Odfjell Well Services AS	Norway	Well services	100%	100%
vii) Odfjell Well Services (UK) Ltd.	United Kingdom	Well services	100%	100%

*Though the Company's ownership interest is 20%, the Company has 100% beneficial ownership and control in this subsidiary.

The Company has impaired investments in Odfjell Well Services Cooperatief U.A., Odfjell Arabia Drilling Services Co. and Odfjell Well Services (UK) Ltd.

8. INVENTORIES :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Spare parts	3,651,836	2,134,639

Inventories aggregating to USD 505,046/- (2022: USD 973,137/-) (net) were transferred to related parties (Note 10.a).

9. PREPAYMENTS AND OTHER RECEIVABLES :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Prepayments	127,005	161,352
Refundable deposits	5,038	5,038
Advance for operating equipment	1,533,863	387,287
Other receivables	13,500	14,194
Contract assets ³	70,211	-
VAT receivable ¹	328,342	208,686
Taxes and duties receivable ²	6,872	191,910
	2,084,831	968,467



**ODFJELL TECHNOLOGY INVEST LTD.
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

¹Value Added Tax (VAT) receivable represents net VAT amount receivable from the UAE Federal Tax Authority against the input tax charged by the suppliers on their taxable supplies to the Company in excess of the output tax charged by the Company on its taxable supplies to the customers as per the Federal Decree Law No. 8 of 2017 on Value Added Tax and its Executive Regulations.

²Taxes and duties receivable represent net VAT receivable as per the local laws applicable in the Netherlands and Norway.

³Contract assets represent the gross unbilled amount expected to be collected from customers for the performance obligation satisfied to date.

10. RELATED PARTY TRANSACTIONS AND BALANCES :

Related parties include the parent company, ultimate parent company, key management personnel, fellow subsidiaries, associates, joint ventures, directors and entities which are controlled directly or indirectly by the shareholder or directors or over which they exercise significant management influence. Balances and transactions between the Company and its related parties are described below. Transactions with related parties were entered into on terms agreed by the management.

- a. During the year, the Company entered into the following transactions with related parties:

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Hiring out equipment (Note 16)		
Odfjell Well Services Norway AS (subsidiary)	24,819,967	22,147,265
Odfjell Well Services Cooperatief U.A. (subsidiary)	9,362,126	7,231,747
Odfjell Well Services Ltd. (subsidiary)	(1,401,304)	483,900
Deep Sea Atlantic (UK) Ltd. (affiliate)	1,875,757	2,050,150
Deep Sea Stanvanger (UK) Ltd DMCC Branch (affiliate)	1,394,557	776,133
Odfjell Drilling Shetland Ltd (affiliate)	2,106,627	2,302,483
Odfjell Drilling Deep Sea Management DMCC (affiliate)	4,194,743	2,974,923
Odfjell Well Services (Namibia) (Pty) Ltd (affiliate)	748,761	-
Odfjell Rig V Ltd. (affiliate)	2,324,691	2,540,820
	<u>45,425,925</u>	<u>40,507,421</u>
Purchase of operating equipment (Note 5)		
Odfjell Well Services Norway AS (subsidiary)	-	19,490
Odfjell Well Services (UK) Ltd. (subsidiary)	-	16,420
Odfjell Well Services Cooperatief U.A. (subsidiary)	14,280	75,251
Odfjell Well Services SRL (affiliate)	2,679	39,927
Odfjell Well Services Ltd. (subsidiary)	110	-
Odfjell Well Services AS (subsidiary)	-	102,253
Odfjell Global Business Services AS (affiliate)	269	-
Odfjell Engineering AS (affiliate)	59,627	29,417
	<u>76,965</u>	<u>282,758</u>



**ODFJELL TECHNOLOGY INVEST LTD.
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	<u>31.12.2023</u>	<u>31.12.2022</u>
	<u>USD</u>	<u>USD</u>
Sale of operating equipment		
Odfjell Well Services Cooperatief U.A. (subsidiary)	708,282	148,462
Odfjell Well Services Ltd. (subsidiary)	522,320	470,082
Odfjell Drilling Deep Sea Management DMCC (affiliate)	233,980	31,378
Odfjell Well Services Norway AS (affiliate)	1,374,293	-
Odfjell Energy (Malaysia) SDN. BHD. (affiliate)	7,638	-
Odfjell Well Services Norway AS (subsidiary)	-	889,082
	<u>2,846,513</u>	<u>1,539,004</u>

The costs incurred by the Company for the above revenue amounted to USD 422,982/- (2022: USD 299,229/-) and the profit on these revenue is recorded in the profit and loss.

	<u>31.12.2023</u>	<u>31.12.2022</u>
	<u>USD</u>	<u>USD</u>
Inventory transferred (Note 8)		
Odfjell Well Services Ltd. (subsidiary)	299,603	655,375
Odfjell Services (Thailand) Co. Ltd (affiliate)	2,300	96,244
Odfjell Well Services Norway AS (subsidiary)	30,574	53,790
Odfjell Well Services SRL (affiliate)	10,040	16,500
Odfjell Well Services Cooperatief U.A. (subsidiary)	69,428	76,674
Odfjell Well Services (UK) Ltd. (subsidiary)	40,479	67,374
Odfjell Drilling Deep Sea Management DMCC (affiliate)	18,299	7,180
Odfjell Energy (Malaysia) SDN. BHD. (affiliate)	34,323	-
	<u>505,046</u>	<u>973,137</u>
Management fee (Note 19)		
Odfjell Global Business Services AS (affiliate)	<u>9,380</u>	<u>9,630</u>
Recharge of expenses by related parties (Note 19)		
Odfjell Well Services Ltd. (subsidiary)	1,671,316	1,146,444
Odfjell Engineering AS (affiliate)	(29,417)	-
	<u>1,641,899</u>	<u>1,146,444</u>
Transfer of provision for employees' end of service benefits from related party (Note 14)		
Odfjell Well Services Ltd. (subsidiary)	<u>-</u>	<u>4,750</u>
Guarantee commission income (Note 18)		
Odfjell Drilling Services Ltd (affiliate)	-	12,000
Odfjell Technology Ltd (parent company)	549,679	505,590
	<u>549,679</u>	<u>517,590</u>



**ODFJELL TECHNOLOGY INVEST LTD.
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
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The directors did not receive any emoluments from the Company during the year. The directors of the Company are also directors of fellow group companies of Odfjell Technology Ltd and receive their remuneration directly from those companies. The directors do not believe that it is practicable to apportion their remuneration between services as directors of the Company and as directors of the other group companies.

The following balances were outstanding at the end of the reporting period:

	<u>31.12.2023</u>	<u>31.12.2022</u>
	<u>USD</u>	<u>USD</u>
b. Due from related parties		
Odfjell Drilling Deep Sea Management DMCC (affiliate)	4,815,465	1,317,332
Odfjell Well Services Norway AS (subsidiary)	3,402,507	5,040,509
Odfjell Well Services Cooperatief U.A. (subsidiary)	1,539,675	2,394,092
Odfjell Rig V Ltd (affiliate)	203,537	210,043
Odfjell Drilling Shetland Ltd. (affiliate)	184,445	190,341
Deep Sea Atlantic (UK) Ltd (affiliate)	164,231	169,481
Deep Sea Stanvanger (UK) Ltd DMCC (Branch) (affiliate)	122,100	126,003
Odfjell Well Services Ltd. (subsidiary)	687,632	1,366,873
Odfjell Services (Thailand) Co. Ltd. (affiliate)	-	69,241
Odfjell Well Services (Malaysia) SDN. BHD. (affiliate)	41,961	-
Odfjell Well Services (UK) Ltd (affiliate)	40,479	-
Odfjell Technology Ltd (parent company)	549,679	-
Odfjell Well Services (Namibia) (Pty) Ltd (affiliate)	748,761	-
	<u>12,500,472</u>	<u>10,883,915</u>
c. Due to related parties		
Odfjell Well Services AS (subsidiary)	-	50,177
Odfjell Global Business Services AS (affiliate)	282	-
Odfjell Engineering AS (affiliate)	25,509	29,417
	<u>25,791</u>	<u>79,594</u>

Related party balances are unsecured and are expected to be settled by cash. No expense has been recognised in the current or prior years for bad and doubtful debts in respect of the amounts owed by related parties.

11. CASH AND CASH EQUIVALENTS :

	<u>31.12.2023</u>	<u>31.12.2022</u>
	<u>USD</u>	<u>USD</u>
Cash on hand	1,361	1,361
Cash at bank:		
Current accounts	36,337,389	12,428,897
Term deposits	10,000,000	5,000,000
	<u>46,338,750</u>	<u>17,430,258</u>

The Company's bank balances are part of the cash pool scheme wherein the parent company is the account owner and thus the owner of the bank funds. The cash pool has been created to optimize liquidity management within the group.



**ODFJELL TECHNOLOGY INVEST LTD.
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. SHARE CAPITAL :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Authorized, issued and fully paid; 12,000 ordinary shares (2022: 12,000) of USD 1/- each	12,000	12,000

13. CONTRIBUTED CAPITAL :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Balance at beginning of year	93,752,562	113,752,562
Repayments during the year	-	(20,000,000)
Balance at end of year	93,752,562	93,752,562

14. PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Balance at beginning of year	213,171	149,068
Provision made during the year (Note 20)	66,545	64,959
Transfers from related party (Note 10.a)	-	4,750
Payments during the year	-	(5,606)
Balance at end of year	279,716	213,171

15. TRADE AND OTHER PAYABLES :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Trade payables	2,317,991	1,035,233
Accrued expenses	137,002	6,745
	2,454,993	1,041,978

16. REVENUE :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Revenue from hiring out equipment	45,425,925	40,507,421

The entire revenue recognized by the Company is from related parties (Note 10.a).



**ODFJELL TECHNOLOGY INVEST LTD.
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

17. COST OF REVENUE :

	<u>31.12.2023</u>	<u>31.12.2022</u>
	<u>USD</u>	<u>USD</u>
Depreciation (Note 5)	26,555,845	23,869,440
Amortisation (Note 6)	624,867	482,394
Other direct costs	26,987	280,491
	<u>27,207,699</u>	<u>24,632,325</u>

18. OTHER INCOME :

	<u>31.12.2023</u>	<u>31.12.2022</u>
	<u>USD</u>	<u>USD</u>
Gain on sale of operating equipment	2,288,384	1,238,557
Interest income	1,208,469	135,764
Guarantee commission income (Notes 10.a and 26)	549,679	517,590
Other income	669,184	685,561
	<u>4,715,716</u>	<u>2,577,472</u>

19. ADMINISTRATIVE EXPENSES :

	<u>31.12.2023</u>	<u>31.12.2022</u>
	<u>USD</u>	<u>USD</u>
Employee costs (Note 20)	780,487	783,794
Other expenses	352,198	294,217
Legal and professional charges	217,932	252,365
Operating lease charges	169,465	134,064
Foreign currency exchange loss	89,111	722,814
Communication	10,192	5,729
Management fee (Note 10.a)	9,380	9,630
Freight, transport and insurance	8,905	53,888
Loss on write-off of operating equipment	-	15,045
	<u>1,637,670</u>	<u>2,271,546</u>

Administrative expenses include USD 1,651,279/- (2022: USD 1,156,074/-) recharged by related parties (Note 10.a).

20. EMPLOYEE COSTS :

	<u>31.12.2023</u>	<u>31.12.2022</u>
	<u>USD</u>	<u>USD</u>
Salaries and allowances	332,391	236,606
End of service benefits (Note 14)	66,545	64,959
Other benefits	381,551	346,173
Recharge from related parties	1,073,537	880,698
	<u>1,854,024</u>	<u>1,528,436</u>
Costs capitalised (Note 5)	<u>(1,073,537)</u>	<u>(744,642)</u>
	<u>780,487</u>	<u>783,794</u>



**ODFJELL TECHNOLOGY INVEST LTD.
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

21. FINANCIAL INSTRUMENTS :

The net carrying amounts of financial assets and financial liabilities at the end of the reporting period are classified as follows:

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Financial assets - At amortised cost		
Prepayments and other receivables (excluding prepayments, contract assets and advance for operating equipment)	353,752	419,828
Due from related parties	12,500,472	10,883,915
Cash and cash equivalents	46,338,750	17,430,258
Total	<u><u>59,192,974</u></u>	<u><u>28,734,001</u></u>
Financial liabilities - At amortised cost		
Trade and other payables	2,454,993	1,041,978
Due to related parties	25,791	79,594
Total	<u><u>2,480,784</u></u>	<u><u>1,121,572</u></u>

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3 to the separate financial statements.

22. CAPITAL RISK MANAGEMENT :

The Company manages its capital to ensure that the Company will be able to continue as a going concern while providing maximum return to stakeholders through the optimisation of the debt and equity balance and to maintain an optimal capital structure to reduce the cost of capital. The Company's overall strategy on capital risk management remains unchanged from the previous year.

The capital structure of the Company consists of equity funds as presented in the statement of financial position. Debt comprises total amounts owing to third parties, net of cash and cash equivalents.

23. FINANCIAL RISK MANAGEMENT :

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. the Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's management. The management identifies and evaluates financial risks on regular basis to minimise the adverse impact over the Company's operation.



**ODFJELL TECHNOLOGY INVEST LTD.
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises: interest rate risk and currency risk. the Company's activities are exposed primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, when revenue or expense are denominated in a different currency from the Company's functional currency which is USD. The Company manages the risks through regular monitoring of the currency markets to determine appropriate action to minimise the exposure to the foreign currency risk.

Financial assets and financial liabilities are denominated in US Dollars except for the following:

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Cash and cash equivalents		
Euro	(304,861)	132,130
Norwegian Krone	6,728,521	2,460,912
Pound Sterling	(1,254,493)	(37,954)
	<u>5,169,167</u>	<u>2,555,088</u>
Due from related parties		
Norwegian Krone	1,383,369	860,188
Euro	356,556	-
Canadian Dollar	113	-
	<u>1,740,038</u>	<u>860,188</u>
Trade and other payables		
Euro	111,915	30,908
Pound Sterling	186,538	78,615
Kuwaiti Dinar	568	27,318
Norwegian Krone	299,340	19,309
Malaysian Ringgit	5,059	637
Saudi Arabian Riyal	12,138	11,371
Romanian leu	1,256	-
	<u>616,814</u>	<u>168,158</u>
Due to related parties		
Norwegian Krone	<u>25,790</u>	<u>79,593</u>



**ODFJELL TECHNOLOGY INVEST LTD.
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any significant exposure to interest rate risk.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for committed transactions) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

The Company deals only with highly reputed local and international banks. The Company's customers are solely related parties. As a result, the Company believes the credit risk related to customers is limited.

(c) Liquidity risks

Liquidity risk refers to the risk that an Company will encounter difficulty in meeting obligations associated with its financial liabilities at maturity date.

The Company manages the liquidity risk through risk management framework for the Company's short, medium and long-term funding and liquidity management requirements by maintaining adequate reserves, sufficient cash and cash equivalent to ensure funds are available to meet its commitments for liabilities as they fall due.

The table analyses the Company's remaining contractual maturity for its financial liabilities based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	<u>31.12.2023</u>	<u>31.12.2022</u>
<u>Less than 1 year</u>	<u>USD</u>	<u>USD</u>
Trade and other payables (Note 15)	2,454,993	1,041,978
Due to related parties (Note 10.c)	25,791	79,594
Total	2,480,784	1,121,572

24. FAIR VALUE :

The fair value of a particular asset or liability is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values of the financial assets and liabilities approximate their carrying amounts as reflected in these separate financial statements.

25. CAPITAL COMMITMENTS :

As at the end of the reporting period, the Company has approved capital commitments of USD 14,400,858/- (2022: USD 9,324,308/-) relating to the acquisition and construction of rental and casing equipment.



**ODFJELL TECHNOLOGY INVEST LTD.
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

26. GUARANTEES AND SECURITY :

The Company is a guarantor for senior secured bonds priced NOK 1,100 million issued by the parent company and maturing in February 2026. The Company is also a guarantor under super senior revolving credit facility of USD 25 million borrowed by the parent company.

27. TAXES :

The Company is a tax resident in the United Kingdom and no liability has arisen in 2023 against this registration.



**ODFJELL TECHNOLOGY INVEST LTD.
(FORMERLY ODFJELL PARTNERS INVEST LTD.)
SEPARATE FINANCIAL STATEMENTS AND REPORTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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Separate statement of changes in equity	7
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ODFJELL TECHNOLOGY INVEST LTD.**(FORMERLY ODFJELL PARTNERS INVEST LTD.)****DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

The Directors submit their report together with the audited separate financial statements of Odfjell Technology Invest Ltd. (the Company) for the year ended 31 December 2022.

Principal activities

The principal activities of the Company include owning, investing, trading and rental of oilfield & natural gas equipment & spare parts. The Company is also engaged in investment activities.

Financial results and appropriations

The financial results of the Company for the year ended 31 December 2022 are set out in the separate statement of profit or loss and other comprehensive income.

Events after the reporting period

There are no significant events after the reporting period.

Shareholders and their interests

M/s. Odfjell Technology Ltd., a company registered in Bermuda is the sole shareholder of the Company as at the reporting date. Effective 1 March 2022, the shareholding pattern of the Company was changed, whereby, the entire shares held by M/s. Odfjell Drilling Services Ltd. (retiring shareholder) were transferred to M/s. Odfjell Technology Ltd.

Directors

The Directors who served during the year were as follows;

Ms. Helene Odfjell
Mr. Simen Lieungh
Mr. Alasdair G. Shiach

Auditors

The separate financial statements have been audited by M/s. Kreston Menon Chartered Accountants, who retire and, being eligible, offer themselves for reappointment.



Helene Odfjell
Director
18 April 2023



Simen Lieungh
Director



Alasdair G. Shiach
Director



SA/4038/AMD/APR/2023

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
ODFJELL TECHNOLOGY INVEST LTD.
(FORMERLY ODFJELL PARTNERS INVEST LTD.)**

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of Odfjell Technology Invest Ltd. (the Company), which comprise the separate statement of financial position as at 31 December 2022, and the separate statement of profit or loss and other comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the unconsolidated financial position of the Company as at 31 December 2022, and its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Separate Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the separate financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
ODFJELL TECHNOLOGY INVEST LTD.
(FORMERLY ODFJELL PARTNERS INVEST LTD.) (Continued)**

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
ODFJELL TECHNOLOGY INVEST LTD.**

(FORMERLY ODFJELL PARTNERS INVEST LTD.) (Continued)

- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Dubai
18 April 2023




Saju Augustine FCA
Reg. No: 136
Kreston Menon Chartered Accountants

**ODFJELL TECHNOLOGY INVEST LTD.
(FORMERLY ODFJELL PARTNERS INVEST LTD.)
SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	Notes	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Assets			
Non-current assets			
Operating equipment	5	92,524,073	84,529,245
Intangible assets	6	3,001,930	2,864,672
Investment in subsidiaries	7	13,206,874	13,206,874
Total non-current assets		108,732,877	100,600,791
Current assets			
Inventories	8	2,134,639	1,724,413
Prepayments and other receivables	9	968,467	3,964,872
Due from related parties	10.b	10,883,915	9,886,787
Cash and cash equivalents	11	17,430,258	30,757,836
Total current assets		31,417,279	46,333,908
Total assets		140,150,156	146,934,699
Equity and liabilities			
Equity			
Share capital	12	12,000	12,000
Contributed capital	13	93,752,562	113,752,562
Retained earnings		45,050,851	28,869,829
Total equity		138,815,413	142,634,391
Liabilities			
Non-current liabilities			
Provision for employees' end of service benefits	14	213,171	149,068
Total non-current liabilities		213,171	149,068
Current liabilities			
Trade and other payables	15	1,041,978	965,504
Due to related parties	10.c	79,594	3,185,736
Total current liabilities		1,121,572	4,151,240
Total liabilities		1,334,743	4,300,308
Total equity and liabilities		140,150,156	146,934,699

The accompanying notes on pages 9 to 30 form an integral part of these separate financial statements.

The report of the independent auditor is set forth on pages 2 to 4.

Authorised for issue by directors on 18 April 2023.

For Odfjell Technology Invest Ltd.


Helene Odfjell
Director


Simen Lieungh
Director


Alasdair G. Shiach
Director



**ODFJELL TECHNOLOGY INVEST LTD.
(FORMERLY ODFJELL PARTNERS INVEST LTD.)
SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Revenue	16	40,507,421	22,868,710
Cost of revenue	17	(24,632,325)	(22,589,769)
Gross profit		15,875,096	278,941
Other income	18	2,577,472	1,123,289
Administrative expenses	19	(2,271,546)	(1,259,932)
Profit for the year		16,181,022	142,298
Other comprehensive income for the year		-	-
Total comprehensive income for the year		16,181,022	142,298

The accompanying notes on pages 9 to 30 form an integral part of these separate financial statements.

The report of the independent auditor is set forth on pages 2 to 4.



**ODFJELL TECHNOLOGY INVEST LTD.
(FORMERLY ODFJELL PARTNERS INVEST LTD.)
SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	<u>Share capital USD</u>	<u>Capital contribution USD</u>	<u>Retained Earnings USD</u>	<u>Total USD</u>
Balance at 1 January 2021	12,000	113,752,562	28,727,531	142,492,093
Total comprehensive income for the year	-	-	142,298	142,298
Balance at 31 December 2021	12,000	113,752,562	28,869,829	142,634,391
Total comprehensive income for the year	-	-	16,181,022	16,181,022
Repayment during the year	-	(20,000,000)	-	(20,000,000)
Balance at 31 December 2022	12,000	93,752,562	45,050,851	138,815,413

The accompanying notes on pages 9 to 30 form an integral part of these separate financial statements.

The report of the independent auditor is set forth on pages 2 to 4.



**ODFJELL TECHNOLOGY INVEST LTD.
(FORMERLY ODFJELL PARTNERS INVEST LTD.)
SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Cash flows from operating activities		
Profit for the year	16,181,022	142,298
Adjustments for:		
Depreciation	23,869,440	21,876,569
Amortisation	482,394	713,200
(Gain) on disposal of operating equipment	(1,238,557)	(580,782)
Provision for employees' end of service benefits	64,959	37,023
Loss on write-offs of operating equipment	15,045	127,313
Loss on write-offs of advances to supplier	-	245,024
Interest income	(135,764)	(20,687)
Operating cash flows before changes in working capital	39,238,539	22,539,958
(Increase) in inventories	(410,226)	(609,976)
Decrease/(increase) in prepayments and other receivables	2,996,405	(2,893,123)
(Increase) in due from related parties	(997,128)	(2,584,444)
Increase/(decrease) in trade and other payables	76,474	(88,431)
(Decrease)/increase in due to related parties	(3,101,392)	2,693,080
Cash generated from operations	37,802,672	19,057,064
Employees' end of service benefits paid	(5,606)	(2,934)
Net cash generated from operating activities	37,797,066	19,054,130
Cash flows from investing activities		
Interest received	135,764	20,687
Purchase of operating equipment	(30,663,276)	(37,378,734)
Additions to capital work-in-progress	(1,859,587)	(2,893,518)
Proceeds from disposal of operating equipment	1,540,154	962,668
Additions to intangible assets	(277,699)	-
Net cash (used in) investing activities	(31,124,644)	(39,288,897)
Cash flows from financing activities		
Capital contribution during the year	(20,000,000)	-
Net cash (used in) financing activities	(20,000,000)	-
Net (decrease) in cash and cash equivalents	(13,327,578)	(20,234,767)
Cash and cash equivalents at beginning of year	30,757,836	50,992,603
Cash and cash equivalents at end of year (Note 11)	17,430,258	30,757,836

The accompanying notes on pages 9 to 30 form an integral part of these separate financial statements.

The report of the independent auditor is set forth on pages 2 to 4.



**ODFJELL TECHNOLOGY INVEST LTD.
(FORMERLY ODFJELL PARTNERS INVEST LTD.)
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. GENERAL INFORMATION :

Odfjell Technology Invest Ltd. (formerly Odfjell Partners Invest Ltd.) (the Company) was incorporated on 10 July 2003 in Bermuda under Registration no. 33920, issued by the Registrar of Companies in Bermuda. The registered address of the Company is Clarendon House, 2 Church street, Hamilton HM 11, Bermuda and is a tax resident in the United Kingdom with its head office at Bergen House, Crawpeel Road, Altens, Aberdeen, Scotland, United Kingdom. The Company has a branch established in Dubai, United Arab Emirates.

Effective 1 March 2022, 100% shares of the Company were transferred by M/s. Odfjell Drilling Services Ltd. (retiring shareholder) to M/s. Odfjell Technology Ltd. (new shareholder), a company registered in Bermuda and accordingly M/s. Odfjell Technology Ltd. became parent and ultimate parent of the Company. The registered address of the parent company is Clarendon House, 2 Church street, Hamilton HM 11, Bermuda and is a tax resident in United Kingdom with its head office at Bergen House, Crawpeel Road, Altens, Aberdeen, Scotland, United Kingdom.

Effective 29 March 2022, name of the Company has changed from M/s. Odfjell Partners Invest Ltd. to M/s. Odfjell Technology Invest Ltd.

The principal activities of the Company include owning, investing, trading and rental of oilfield & natural gas equipment & spare parts. The Company is also engaged in investment activities.

2. PRESENTATION OF SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY :

These financial statements are presented as separate financial statements wherein investments of the Company in its subsidiaries are carried at cost without consolidating the financial results of the subsidiaries. A copy of the consolidated financial statements of the ultimate parent company can be obtained from Odfjell Technology Ltd., Clarendon House, 2 Church street, Hamilton HM 11, Bermuda and the consolidated financial statements comply with International Financial Reporting Standards.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES :

3.1 Basis of preparation

The separate financial statements have been prepared on the historical cost basis. The separate financial statements are presented in United States Dollar (USD) and all values are rounded to the nearest USD. The principal accounting policies adopted are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.2 Statement of compliance

The separate financial statements of the Company have been prepared in accordance with International Financial Reporting Standards.

3.3 Adoption of new and revised International Financial Reporting Standards

The following new and revised Standards including amendments thereto and Interpretations which became effective for the current reporting period have been adopted, wherever applicable. Their adoption has not had any significant impact on the amounts reported in these separate financial statements but may affect the financial reporting for future transactions or arrangements.



**ODFJELL TECHNOLOGY INVEST LTD.
(FORMERLY ODFJELL PARTNERS INVEST LTD.)
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Amendments to IFRS 3 - Reference to the Conceptual Framework
 Amendment to IFRS 16 - COVID-19-Related Rent Concessions
 Amendments to IAS 16 - Proceeds before Intended Use
 Amendments to IAS 37- Onerous Contracts - Cost of Fulfilling a Contract
 Annual Improvements to IFRS Standards 2018–2020 - Amendments to IFRS 1, IFRS 9 and IAS 41

The following Standards, amendments thereto and interpretations have been issued prior to 31 December 2022 but have not been applied in these separate financial statements as their effective dates of adoption are for future periods. It is anticipated that their adoption in the relevant accounting periods will have impact only on disclosures within the separate financial statements.

IFRS 17: Insurance Contracts - 1 January 2023
 Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Date to be determined
 Amendments to IAS 1- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - 1 January 2024
 Amendments to IAS 1 - Disclosure of Accounting Policies - 1 January 2023
 Amendments to IAS 8 - Definition of Accounting Estimates - 1 January 2023
 Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction - 1 January 2023
 Amendment to IFRS 16 - Lease Liability in a Sale and Leaseback - 1 January 2024

3.4 Foreign currencies

(a) Functional and presentation currency

The separate financial statements are prepared and the items included in the separate financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The separate financial statements are presented in USD, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of outstanding amounts of such transactions and from the re-translation of monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are recognised in the profit or loss. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

3.5 Operating equipment

Operating equipment is stated at cost less accumulated depreciation and identified impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items including installation costs. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss during the reporting period in which they are incurred.



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Capital work-in-progress is stated at cost, less any recognised impairment loss. Depreciation of these assets commences when the assets are ready for their intended use.

The depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows;

	Years
Operating equipment	3 - 20

The assets' residual values and useful lives are reviewed at the end of the reporting period, with the effect of any changes in estimates adjusted on a prospective basis. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The gains or losses arising on the disposal or retirement of an item of operating equipment is determined by comparing the disposal proceeds with the carrying amount of the asset and is recognised in the profit or loss.

3.6 Investment in subsidiaries

Subsidiaries are entities (including structured entities) controlled by the Company. Control is achieved when the Company has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power.

Investment in subsidiaries are stated at cost less identified impairment losses, if any.

3.7 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs that are directly attributable to the design and testing of identifiable assets controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the operating asset so that it will be available for use;
- management intends to complete the operating asset to use or sell it;
- there is an ability to use or sell the operating asset;
- it can be demonstrated how the operating asset will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the operating asset are available; and
- the expenditure attributable to the operating asset during the development can be reliably measured.



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Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each reporting period end.

Intangible assets represent intellectual property rights and are amortised over their estimated useful life of 10 years.

3.8 Leases

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

3.9 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined using the first-in first-out method and comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing them to their present location and condition. Net realisable value represents the estimate of the selling price in the ordinary course of business, less all estimated costs to completion and costs necessary to make the sale.

3.10 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years.



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A reversal of an impairment loss is recognised immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as revaluation increase.

3.11 Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) are initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Financial assets

A financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVTOCI") – debt investment; fair value through other comprehensive income ("FVTOCI") – equity investment; or fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are; solely; payments of principal and interest on the outstanding principal amount.

All financial assets of the Company are classified as and are subsequently measured at amortised cost using the effective interest method and is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit or loss.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another Company. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss.

All financial liabilities of the Company are classified as and are subsequently measured at amortised cost using the effective interest method.



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The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the sum of consideration paid and payable is recognised in profit or loss.

3.12 Impairment of financial assets

'Expected Credit Loss' (ECL) model requires considerable judgement in selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The Company records an allowance for ECLs for all financial assets at amortised cost, debt investments at FVTOCI, but not to investments in equity instruments.

The Company measures impairment allowances using general or simplified approach as considered appropriate. Loss allowances are measured on either of the following bases:

12 month ECLs: these are ECLs that result from possible default within 12 months after the reporting date; and

Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

ECLs under the general approach are a probability weighted estimate of credit losses which are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

ECLs under the standard's simplified approach are calculated based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

The Company considers a financial asset in default when contractual payments are past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by Company.

3.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit and other short-term highly liquid investments with a maturity date of three months or less from the date of investment, net of temporary bank overdrafts.

3.14 Contributed capital

Ordinary shares are classified as equity. Contribution from shareholder which are non-reciprocal in nature are considered as contributed capital presented in the statement of changes in equity.



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3.15 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is recognised in the profit or loss, net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Provisions are not recognised for future operating losses.

3.16 Provision for employees' benefits

Provision for employees' end of service benefits is made in accordance with the UAE labour laws, and is based on current remuneration and periods of service at the end of the reporting period. The provision relating to employees' end of service benefits is disclosed as a non-current liability.

3.17 Revenue recognition

Revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control, at a point in time or over time, requires judgement. The Company recognises revenue from sale of goods or rendering of services based on a five-step model as follows:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer for rendering of services to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for rendering services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the Company satisfies a performance obligation.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or



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2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which performance obligation is satisfied.

When the Company satisfies a performance obligation by rendering the promised services, it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised, this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty.

Sale of operating equipment

Revenue from sale of operating equipment is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment and issuance of the invoices to customers.

Services rendered

Revenue is recognised during the rental period in which the equipment and related services are utilised by the customer.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and effective interest rate applicable.

4. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS :

The preparation of the Company's separate financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

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. Actual results may differ from these estimates.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in page number 17;



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a) *Estimated useful life of operating equipment and intangible assets*

Management assigns useful lives and residual values to operating equipment and intangible assets based on the intended use and the economic lives of those assets. Subsequent changes in circumstances could result in the actual useful lives or residual values differing from initial estimates. Where management determines that the useful life or residual value of an asset requires amendment, the net book amount in excess of the residual value is depreciated/amortized over the revised remaining useful life.

b) *Impairment of non-financial assets*

Assessments of net recoverable amounts of operating equipment, intangible assets and other non-financial assets are based on assumptions regarding future cash flows expected to be received from the related assets.

c) *Inventory provisions*

The Company reviews the carrying amounts of the inventories at the end of the reporting period and assesses the likely realization proceeds taken into account, the age of inventory, estimated future demand for various items in the inventory, and physical damage etc. Based on the assessment, no provisions are required as at the end of the reporting period.

d) *Significant increase in credit risk*

ECLs are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

e) *Business model assessment*

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.



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f) Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

g) Employees' end of service benefits

The Company computes the provision for the liability to employees' end of service benefits assuming that all employees were to leave as of the reporting date. The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.

5. OPERATING EQUIPMENT :

	<u>Operating equipment</u> <u>USD</u>	<u>Capital work-in- progress</u> <u>USD</u>	<u>Total</u> <u>USD</u>
Cost			
At 1 January 2021	330,634,962	2,328,783	332,963,745
Additions	37,378,734	2,893,518	40,272,252
Transfers	1,506,823	(1,506,823)	-
Transfer to intangible assets (Note 6)	-	(513,179)	(513,179)
Disposals	(1,482,756)	-	(1,482,756)
Write-offs	(5,308,174)	-	(5,308,174)
At 31 December 2021	362,729,589	3,202,299	365,931,888
Additions	30,663,276	1,859,587	32,522,863
Transfers	1,234,570	(1,234,570)	-
Transfer to intangible assets (Note 6)	-	(341,953)	(341,953)
Disposals	(3,539,823)	-	(3,539,823)
Write-offs	(14,113,164)	-	(14,113,164)
At 31 December 2022	376,974,448	3,485,363	380,459,811



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	<u>Operating equipment USD</u>	<u>Capital work-in- progress USD</u>	<u>Total USD</u>
Accumulated depreciation			
At 1 January 2021	265,807,805	-	265,807,805
Charge for the year (Note 17)	21,876,569	-	21,876,569
Adjustment on disposals	(1,100,870)	-	(1,100,870)
Adjustment on write-offs	(5,180,861)	-	(5,180,861)
At 31 December 2021	281,402,643	-	281,402,643
Charge for the year (Note 17)	23,869,440	-	23,869,440
Adjustment on disposals	(3,238,226)	-	(3,238,226)
Adjustment on write-offs	(14,098,119)	-	(14,098,119)
At 31 December 2022	287,935,738	-	287,935,738
Net book amount			
At 31 December 2022	89,038,710	3,485,363	92,524,073
At 31 December 2021	81,326,946	3,202,299	84,529,245

Capital work-in-progress represents the costs incurred for specialised tools and operating equipment which were not ready for their intended use as at the end of the reporting period.

Additions to operating equipment includes USD 282,758/- (2021: USD 24,886,674/-) purchased from related parties (Note 10.a).

Additions to capital work-in-progress include capitalised staff cost aggregating to USD 744,642/- (2021: USD 944,969/-) for the development of certain specialised tools (Note 20).

6. INTANGIBLE ASSETS :

	<u>Acquired USD</u>	<u>Internally developed USD</u>	<u>Total USD</u>
Cost			
At 1 January 2021	3,400,000	1,284,261	4,684,261
Transfer from operating equipment (Note 5)	465,580	47,599	513,179
At 31 December 2021	3,865,580	1,331,860	5,197,440
Transfer from operating equipment (Note 5)	-	341,953	341,953
Additions	-	277,699	277,699
At 31 December 2022	3,865,580	1,951,512	5,817,092



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	<u>Acquired USD</u>	<u>Internally developed USD</u>	<u>Total USD</u>
Accumulated depreciation			
At 1 January 2021	1,228,728	390,840	1,619,568
Charge for the year (Note 17)	436,996	276,204	713,200
At 31 December 2021	1,665,724	667,044	2,332,768
Charge for the year (Note 17)	386,556	95,838	482,394
At 31 December 2022	2,052,280	762,882	2,815,162
Net book amount			
At 31 December 2022	1,813,300	1,188,630	3,001,930
At 31 December 2021	2,199,856	664,816	2,864,672

Intangible assets acquired represent technology and know-how acquired amounting to USD 1,750,000/- and technical drawings and patents acquired amounting to USD 1,650,000/-. The employee costs incurred on further development of patents amounting to USD 465,580/- are capitalised during the year 2021.

Intangible assets internally developed represent expenses incurred in connection with developing a new drillhole cleaning tool and mobile application.

Intangible assets are amortised on a straight line basis over their estimated useful lives of 3 to 10 years.

7. INVESTMENT IN SUBSIDIARIES :

	<u>31.12.2022 USD</u>	<u>31.12.2021 USD</u>
Investments in subsidiaries	13,206,874	13,206,874
Listing of investments is as follows:		
Odfjell Well Services Ltd.	11,689,437	11,689,437
Odfjell Well Services Norway AS	1,484,090	1,484,090
Odfjell Well Services Cooperatief U.A.	-	-
Odfjell Well Services II Ltd.	18,823	18,823
Odfjell Arabia Drilling Services Co.	-	-
Odfjell Well Services AS	14,524	14,524
Odfjell Well Services (UK) Ltd.	-	-
	13,206,874	13,206,874



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The Company has ownership interest in the following subsidiaries as at 31 December 2022 as follows:

Name of subsidiary	Country of incorporation	Principal activity	Ownership interest of the Company	
			2022	2021
i) Odfjell Well Services Ltd.	British Virgin Islands	Well services	100%	100%
ii) Odfjell Well Services Norway AS	Norway	Well services	100%	100%
iii) Odfjell Well Services Cooperatief U.A.	The Netherlands	Well services	99%	99%
iv) Odfjell Well Services II Ltd.	Bermuda	Well services	100%	100%
v) Odfjell Arabia Drilling Services Co.*	Kingdom of Saudi Arabia	Well services	20%	20%
vi) Odfjell Well Services AS	Norway	Well services	100%	100%
vii) Odfjell Well Services (UK) Ltd.	United Kingdom	Well services	100%	100%

*Though the Company's ownership interest is 20%, the Company has 100% beneficial ownership and control in this subsidiary.

The Company has impaired investments in Odfjell Well Services Cooperatief U.A., Odfjell Arabia Drilling Services Co. and Odfjell Well Services (UK) Ltd.

8. INVENTORIES :

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Spare parts	2,134,639	1,724,413

Inventories aggregating to USD 973,137/- (2021: USD 203,164/-) (net) were transferred to related parties (Note 10.a).

9. PREPAYMENTS AND OTHER RECEIVABLES :

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Prepayments	161,352	139,593
Refundable deposits	5,038	4,534
Advance for operating equipment	387,287	3,191,894
Other receivables	14,194	90,529
VAT receivable ¹	208,686	145,644
Taxes and duties receivable ²	191,910	392,678
	<u>968,467</u>	<u>3,964,872</u>



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¹Value Added Tax (VAT) receivable represents net VAT amount receivable from the U.A.E. Federal Tax Authority against the input tax charged by the vendors on their taxable supplies to the Company in excess of the output tax charged to customers on the taxable supplies by the Company as per the Executive Regulations of the Federal Decree Law No. 8 of 2017 on Value Added Tax and its Executive Regulations.

²Taxes and duties receivable represent net VAT receivable as per the local laws applicable in the Netherlands and Norway.

10. RELATED PARTY TRANSACTIONS :

Related parties include the parent company, ultimate parent company, key management personnel, fellow subsidiaries, associates, joint ventures, directors and entities which are controlled directly or indirectly by the shareholder or directors or over which they exercise significant management influence. Balances and transactions between the Company and its related parties are described below. Transactions with related parties were entered into on terms agreed by the management.

- a. During the year, the Company entered into the following transactions with related parties:

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Hiring out equipment (Note 16)		
Odfjell Well Services Norway AS (subsidiary)	22,147,265	14,600,543
Odfjell Well Services Cooperatief U.A. (subsidiary)	7,231,747	3,895,267
Odfjell Well Services Ltd. (subsidiary)	483,900	(651,902)
Deep Sea Atlantic (UK) Ltd. (affiliate)	2,050,150	566,628
Deep Sea Stavanger (UK) Ltd DMCC Branch (affiliate)	776,133	-
Odfjell Drilling Shetland Ltd (affiliate)	2,302,483	636,364
Odfjell Drilling Deep Sea Management DMCC (affiliate)	2,974,923	3,119,574
Odfjell Rig V Ltd. (affiliate)	2,540,820	702,236
	<u>40,507,421</u>	<u>22,868,710</u>
Purchase of operating equipment (Note 5)		
Odfjell Drilling AS (affiliate)	-	5,000
Odfjell Well Services Norway AS (subsidiary)	19,490	75,059
Odfjell Services (Thailand) Co. Ltd. (affiliate)	-	67,143
Odfjell Well Services (UK) Ltd. (subsidiary)	16,420	27,449
Odfjell Well Services Cooperatief U.A. (subsidiary)	75,251	51,835
Odfjell Well Services SRL (affiliate)	39,927	9,690
Odfjell Well Services Ltd. (subsidiary)	-	(1,032)
Odfjell Well Services AS (subsidiary)	102,253	121,530
Deep Sea Atlantic (UK) Ltd. (affiliate)	-	5,350,000
Odfjell Drilling Shetland Ltd (affiliate)	-	7,950,000
Odfjell Rig V Ltd. (affiliate)	-	10,300,000
Odfjell Engineering AS (affiliate)	29,417	-
Deep Sea Stavanger (UK) Ltd. (affiliate)	-	930,000
	<u>282,758</u>	<u>24,886,674</u>



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	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Sale of operating equipment		
Odfjell Well Services Cooperatief U.A. (subsidiary)	148,462	120,513
Odfjell Well Services Ltd. (subsidiary)	470,082	276,333
Odfjell Drilling Deep Sea Management DMCC (affiliate)	31,378	-
Odfjell Well Services Norway AS (subsidiary)	889,082	565,822
	<u>1,539,004</u>	<u>962,668</u>

The costs incurred by the Company related to these sale amounted to USD 299,229/- (2021: USD 381,886/-) and profit on these sale is recorded in the profit or loss.

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Inventory transferred (Note 8)		
Odfjell Well Services Ltd. (subsidiary)	655,375	99,739
Odfjell Services (Thailand) Co. Ltd (affiliate)	96,244	-
Odfjell Well Services Norway AS (subsidiary)	53,790	24,560
Odfjell Well Services SRL (affiliate)	16,500	22,297
Odfjell Well Services Cooperatief U.A. (subsidiary)	76,674	9,985
Odfjell Well Services (UK) Ltd. (subsidiary)	67,374	24,983
Odfjell Drilling Deep Sea Management DMCC (affiliate)	7,180	21,600
	<u>973,137</u>	<u>203,164</u>
Management fee (Note 19)		
Odfjell Global Business Services AS (affiliate)	<u>9,630</u>	<u>11,560</u>
Recharge of expenses by related parties (Note 19)		
Odfjell Drilling Ltd. (ultimate parent company)	-	78,003
Odfjell Well Services Ltd. (subsidiary)	1,146,444	859,838
	<u>1,146,444</u>	<u>937,841</u>
Transfer of provision for employees' end of service benefits from related party (Note 14)		
Odfjell Well Services Ltd. (subsidiary)	<u>4,750</u>	<u>2,182</u>
Guarantee commission income (Note 18)		
Odfjell Drilling Services Ltd. (affiliate)	12,000	86,400
Odfjell Technology Ltd. (parent company)	505,590	-
	<u>517,590</u>	<u>86,400</u>



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The directors did not receive any emoluments from the Company during the year. The directors of the Company are also directors of fellow group companies of Odfjell Technology Ltd. and receive their remuneration directly from those companies. The directors do not believe that it is practicable to apportion their remuneration between services as directors of the Company and as directors of the other group companies.

The following balances were outstanding at the end of the reporting period:

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
b. Due from related parties		
Odfjell Drilling Deep Sea Management DMCC (affiliate)	1,317,332	3,119,606
Odfjell Well Services Cooperatief U.A. (subsidiary)	2,394,092	2,150,447
Odfjell Well Services Norway AS (subsidiary)	5,040,509	2,702,598
Odfjell Rig V Ltd (affiliate)	210,043	702,236
Odfjell Drilling Shetland Ltd. (affiliate)	190,341	636,364
Deep Sea Atlantic (UK) Ltd (affiliate)	169,481	566,628
Odfjell Well Services SRL (affiliate)	-	8,908
Deep Sea Stavanger (UK) Ltd DMCC (Branch) (affiliate)	126,003	-
Odfjell Well Services Ltd. (subsidiary)	1,366,873	-
Odfjell Services (Thailand) Co. Ltd. (affiliate)	69,241	-
	<u>10,883,915</u>	<u>9,886,787</u>
c. Due to related parties		
Odfjell Well Services AS (subsidiary)	50,177	118,699
Odfjell Well Services Ltd. (subsidiary)	-	3,067,037
Odfjell Engineering AS (affiliate)	29,417	-
	<u>79,594</u>	<u>3,185,736</u>

Related party balances are unsecured and are expected to be settled by cash. No expense has been recognised in the current or prior years for bad and doubtful debts in respect of the amounts owed by related parties.

11. CASH AND CASH EQUIVALENTS :

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Cash on hand	1,361	1,362
Cash at bank:		
Current accounts	12,428,897	30,756,474
Term deposits	5,000,000	-
	<u>17,430,258</u>	<u>30,757,836</u>



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The Company's bank balances are part of the cash pool scheme wherein the parent company is the account owner and thus the owner of the bank funds. The cash pool has been created to optimize liquidity management within the group.

12. SHARE CAPITAL :

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Authorized, issued and fully paid; 12,000 ordinary shares (2021: 12,000) of USD 1/- each	12,000	12,000

13. CONTRIBUTED CAPITAL :

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Balance at beginning of year	113,752,562	113,752,562
Repayment during the year	(20,000,000)	-
Balance at end of year	93,752,562	113,752,562

14. PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS :

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Balance at beginning of year	149,068	112,797
Provision made during the year (Note 20)	64,959	37,023
Transfers from related party (Note 10.a)	4,750	2,182
Payments during the year	(5,606)	(2,934)
Balance at end of year	213,171	149,068

15. TRADE AND OTHER PAYABLES :

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Trade payables	1,035,233	829,587
Advance from customers	-	134,766
Accrued expenses	6,745	1,151
	1,041,978	965,504



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16. REVENUE :

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Revenue from hiring out equipment	40,507,421	22,868,710

The entire revenue recognized by the Company is from related parties (Note 10.a).

17. COST OF REVENUE :

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Depreciation (Note 5)	23,869,440	21,876,569
Amortisation (Note 6)	482,394	713,200
Other direct costs	280,491	-
	<u>24,632,325</u>	<u>22,589,769</u>

18. OTHER INCOME :

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Gain on sale of operating equipment	1,238,557	580,782
Foreign currency exchange gain	-	403,468
Interest income	135,764	20,687
Guarantee commission income (Notes 10.a)	517,590	86,400
Other income	685,561	31,952
	<u>2,577,472</u>	<u>1,123,289</u>

19. ADMINISTRATIVE EXPENSES :

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Employee costs (Note 20)	783,794	393,043
Foreign currency exchange loss	722,814	-
Other expenses	294,217	76,796
Legal and professional charges	252,365	157,732
Operating lease charges	134,064	132,275
Freight, transport and insurance	53,888	95,772
Loss on write-off of operating equipment	15,045	127,313
Management fee (Note 10.a)	9,630	11,560
Communication	5,729	20,417
Loss on write-offs of advances to supplier	-	245,024
	<u>2,271,546</u>	<u>1,259,932</u>

Administrative expenses include USD 1,156,074/- (2021: USD 949,401/-) recharged by related parties (Note 10.a).



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20. EMPLOYEE COSTS :

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Salaries and allowances	236,606	938,527
End of service benefits (Note 14)	64,959	37,023
Other benefits	346,173	276,842
Recharge from related parties (Note 10.a)	880,698	85,620
	<u>1,528,436</u>	<u>1,338,012</u>
Costs capitalised (Note 5)	(744,642)	(944,969)
	<u>783,794</u>	<u>393,043</u>

21. FINANCIAL INSTRUMENTS :

The net carrying amounts of financial assets and financial liabilities at the end of the reporting period are classified as follows:

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Financial assets - At amortised cost		
Prepayments and other receivables (excluding prepayments and advance for operating equipment)	419,828	633,385
Due from related parties	10,883,915	9,886,787
Cash and cash equivalents	17,430,258	30,757,836
	<u>28,734,001</u>	<u>41,278,008</u>
	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Financial liabilities - At amortised cost		
Trade and other payables (excluding advance from customers)	1,041,978	830,738
Due to related parties	79,594	3,185,736
	<u>1,121,572</u>	<u>4,016,474</u>

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3 to the separate financial statements.

22. CAPITAL RISK MANAGEMENT :

The Company manages its capital to ensure that the Company will be able to continue as a going concern while providing maximum return to stakeholders through the optimisation of the debt and equity balance and to maintain an optimal capital structure to reduce the cost of capital. The Company's overall strategy on capital risk management remains unchanged from the previous year.



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The capital structure of the Company consists of equity funds as presented in the statement of financial position. Debt comprises total amounts owing to third parties, net of cash and cash equivalents.

23. FINANCIAL RISK MANAGEMENT :

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. the Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's management. The management identifies and evaluates financial risks on regular basis to minimise the adverse impact over the Company's operation.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises: interest rate risk and currency risk. the Company's activities are exposed primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, when revenue or expense are denominated in a different currency from the Company's functional currency which is USD. The Company manages the risks through regular monitoring of the currency markets to determine appropriate action to minimise the exposure to the foreign currency risk.

Financial assets and financial liabilities are denominated in US Dollars except for the following:

	<u>31.12.2022</u> <u>USD</u>	<u>31.12.2021</u> <u>USD</u>
Cash and cash equivalents		
Euro	132,130	(425,071)
Norwegian Krone	2,460,912	8,568,046
Pound Sterling	(37,954)	(289,941)
	<u>2,555,088</u>	<u>7,853,034</u>
Due from related parties		
Euro	-	2,086
Norwegian Krone	860,188	16,463
Pound Sterling	-	7,407
	<u>860,188</u>	<u>25,956</u>



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	<u>31.12.2022</u>	<u>31.12.2021</u>
	<u>USD</u>	<u>USD</u>
Trade and other payables		
Euro	30,908	50,187
Pound Sterling	78,615	35,534
Kuwaiti Dinar	27,318	-
Norwegian Krone	19,309	6,571
Malaysian Ringgit	637	7,504
Saudi Riyal	11,371	-
	<u>168,158</u>	<u>99,796</u>
Due to related parties		
Norwegian Krone	<u>79,593</u>	<u>118,699</u>

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any significant exposure to interest rate risk.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for committed transactions) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

The Company deals only with highly reputed local and international banks. The Company's customers are solely related parties. As a result, the Company believes the credit risk related to customers is limited.

(c) Liquidity risks

Liquidity risk refers to the risk that an Company will encounter difficulty in meeting obligations associated with its financial liabilities at maturity date.

The Company manages the liquidity risk through risk management framework for the Company's short, medium and long-term funding and liquidity management requirements by maintaining adequate reserves, sufficient cash and cash equivalent to ensure funds are available to meet its commitments for liabilities as they fall due.

The table analyses the Company's remaining contractual maturity for its financial liabilities based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. The contractual maturity is based on the earliest date on which the Company may be required to pay.



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	<u>31.12.2022</u>	<u>31.12.2021</u>
<u>Less than 1 year</u>	<u>USD</u>	<u>USD</u>
Trade and other payables (excluding advance from customers) (Note 15)	1,041,978	830,738
Due to related parties (Note 10.c)	79,594	3,185,736
	<u>1,121,572</u>	<u>4,016,474</u>

24. FAIR VALUE :

The fair value of a particular asset or liability is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values of the financial assets and liabilities approximate their carrying amounts as reflected in these separate financial statements.

25. CAPITAL COMMITMENTS :

As at the end of the reporting period, the Company has approved capital commitments of USD 9,324,308/- (2021: USD 22,296,432/-).

26. GUARANTEES AND SECURITY :

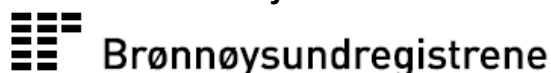
The Company is a guarantor for senior secured bonds priced NOK 1,100 million issued by the parent company and maturing in February 2026. The Company is also a guarantor under super senior revolving credit facility of USD 25 million borrowed by the parent company.

27. TAXES :

The Company is a tax resident in the United Kingdom and no liability has arisen in 2022 against this registration. The Company and its branch are not subject to any corporate taxes in their respective tax jurisdictions.



Appendix 18 – Financial statements for Odfjell Platform Drilling AS as of and for the financial years ended 31 December 2023 and 31 December 2022



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	918 646 175
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ODFJELL PLATFORM DRILLING AS
Forretningsadresse:	Kokstadflaten 35 5257 KOKSTAD

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
-------------------------	-------------------------

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Joachim S.Lie
Dato for fastsettelse av årsregnskapet:	14.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
 År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 18.02.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Driiftsinntekter		349 383 000	83 354 000
Sum inntekter	2, 3	349 383 000	83 354 000
Kostnader			
Lønnskostnad	4, 5, 6, 9	234 665 000	74 712 000
Avskrivning	7		2 295 000
Annen driftskostnad	8, 9	80 360 000	5 391 000
Sum kostnader		315 025 000	82 397 000
Driftsresultat		34 357 000	957 000
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap	10		50 000 000
Finansinntekt	11	1 151 000	532 000
Sum finansinntekter		1 151 000	50 532 000
Finanskostnad	11	2 831 000	630 000
Sum finanskostnader		2 831 000	630 000
Netto finans		-1 680 000	49 902 000
Ordinært resultat før skattekostnad		32 678 000	50 858 000
Skattekostnad på ordinært resultat	12	7 370 000	810 000
Ordinært resultat etter skattekostnad		25 308 000	50 048 000
Årsresultat	19	25 308 000	50 048 000
Overføringer og disponeringer			
Overføringer annen egenkapital	13	25 308 000	50 048 000
Sum overføringer og disponeringer		25 308 000	50 048 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	10	239 132 000	213 513 000
Andre fordringer	6	2 926 000	2 272 000
Sum finansielle anleggsmidler		242 058 000	215 785 000
Sum anleggsmidler		242 058 000	215 785 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	14, 15	56 913 000	12 476 000
Andre fordringer	14, 15	8 015 000	60 091 000
Sum fordringer	16	64 928 000	72 567 000
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	17	3 035 000	2 660 000
Sum omløpsmidler		67 963 000	75 227 000
SUM EIENDELER		310 021 000	291 012 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	13, 18	1 337 000	1 337 000
Overkurs	13	8 492 000	8 492 000
Annen innskutt egenkapital	5, 13	18 235 000	17 452 000
Sum innskutt egenkapital		28 063 000	27 280 000



Balanse

Beløp i: NOK	Note	2023	2022
Opptjent egenkapital			
Annen egenkapital	13	178 324 000	153 016 000
Sum opptjent egenkapital		178 324 000	153 016 000
Sum egenkapital		206 387 000	180 296 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	12	644 000	500 000
Sum avsetninger for forpliktelser		644 000	500 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		644 000	500 000
Kortsiktig gjeld			
Leverandørgjeld	14, 15	28 283 000	3 015 000
Betalbar skatt	12	0	0
Skyldige offentlige avgifter		6 553 000	4 857 000
Annen kortsiktig gjeld	14, 15	60 536 000	18 306 000
Sum kortsiktig gjeld	16	102 990 000	110 216 000
Sum gjeld		103 633 000	110 716 000
SUM EGENKAPITAL OG GJELD		310 021 000	291 012 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 493472

Enheten

Organisasjonsnummer: 918 646 175
Organisasjonsform: Aksjeselskap
Foretaksnavn: ODFJELL PLATFORM DRILLING AS
Forretningsadresse: Kokstadflaten 35
5257 KOKSTAD

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av
årsregnskapet til konsernet: -

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Joachim S.Lie
Dato for fastsettelse av årsregnskapet: 14.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 10.06.2024



Organisasjonsnr: 918 646 175
ODFJELL PLATFORM DRILLING AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Driiftsinntekter		349 383 000	83 354 000
Sum inntekter	2, 3	349 383 000	83 354 000
Kostnader			
Lønnskostnad	4, 5, 6,	234 665 000	74 712 000
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Annen driftskostnad	8, 9	80 360 000	5 391 000
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Finansinntekter og finanskostnader			
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Årsresultat	19	25 308 000	50 048 000
Overføringer og disponeringer			
Overføringer annen egenkapital	13	25 308 000	50 048 000
Sum overføringer og disponeringer		25 308 000	50 048 000



Organisasjonsnr: 918 646 175
ODFJELL PLATFORM DRILLING AS

BALANSE

Beløp i: NOK	Note	2023	2022
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BALANSE - EIENDELER

Anleggsmidler Immaterielle eiendeler

Finansielle anleggsmidler			
Investering i datterselskap	10	239 132 000	213 513 000
Andre fordringer	6	2 926 000	2 272 000
Sum finansielle anleggsmidler		242 058 000	215 785 000
Sum anleggsmidler		242 058 000	215 785 000

Omløpsmidler Varer

Fordringer			
Kundefordringer	14, 15	56 913 000	12 476 000
Andre fordringer	14, 15	8 015 000	60 091 000
Sum fordringer	16	64 928 000	72 567 000

Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	17	3 035 000	2 660 000

Sum omløpsmidler		67 963 000	75 227 000
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SUM EIENDELER		310 021 000	291 012 000
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BALANSE - EGENKAPITAL OG GJELD

Egenkapital			
Innskutt egenkapital			
Aksjekapital	13, 18	1 337 000	1 337 000
Overkurs	13	8 492 000	8 492 000
Annen innskutt egenkapital	5, 13	18 235 000	17 452 000
Sum innskutt egenkapital		28 063 000	27 280 000

Opptjent egenkapital			
Annen egenkapital	13	178 324 000	153 016 000
Sum opptjent egenkapital		178 324 000	153 016 000

Sum egenkapital		206 387 000	180 296 000
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Gjeld			
Langsiktig gjeld			
Utsatt skatt	12	644 000	500 000



Sum avsetninger for forpliktelser		644 000	500 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		644 000	500 000
Kortsiktig gjeld			
Leverandørgjeld	14, 15	28 283 000	3 015 000
Betalbar skatt	12	0	0
Skyldige offentlige avgifter		6 553 000	4 857 000
Annen kortsiktig gjeld	14, 15	60 536 000	18 306 000
Sum kortsiktig gjeld	16	102 990 000	110 216 000
Sum gjeld		103 633 000	110 716 000
SUM EGENKAPITAL OG GJELD		310 021 000	291 012 000



Organisasjonsnr: 918 646 175
ODFJELL PLATFORM DRILLING AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
18

Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Ordinary shares	1337089.00	1.00	1337089.00
<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
Odfjell Technology Ltd	1337089.00	100.00%	Ordinære aksjer
<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	1337089.00	100.00%	

Note
4

Lønn og ytelser

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	66328765000.00	48766864000.00
<u>Arbeidsgiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	12291220000.00	8480177000.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	6445996000.00	5517986000.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	149599214000.00	11946539000.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	234665195000.00	74711566000.00

Ytelser til daglig leder

Note

Ytelser til andre ledende personer

<u>Ledende person</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
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Daglig leder: periode 2298847000.0 184015000.00 995757000.00
01.01.2023 - 31.12.2023 0

Sum ytelse andre led.pers.	Lønn	Pensj.forpl.	Andre godtgj.
	2298847000.0	184015000.00	995757000.00
	0		

Andre godtgjørelser består av henholdsvis TNOK 850 i bonus, og TNOK 145 i forsikringer, firmabil/bilgodtgjørelse, telefon/it, fri avis, fordel ledsager på reise og andre naturallytelser. Det er ikke utbetalt styrehonorar eller ytet lån eller stilt garantier til daglig leder, styreleder eller andre nærstående parter.

Note

Ytelser til revisjon

Revisjon	Årets	Fjorårets
	127862000.00	40000000.00
Sum godtgjørelse til revisor	Årets	Fjorårets
	127862000.00	40000000.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
58.00

Note

Lån og sikkerhetsstillelse til ledende personer og aksjeeiere

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

Note

10

Konsern, tilknyttet selskap og datterselskap

Tilknyttet selskap/datterselskap

Navn og adresse	Eierandel	Stemmeandel	Egenkapital	Resultat
Odfjell Operations AS	100.00%	100.00%	63784000.00	-13797000.00
Odfjell Technology (UK) Ltd	100.00%	100.00%	384860250.00	76582940.00
Odfjell Engineering AS*	100.00%	100.00%	17077000.00	55098000.00
Odfjell Offshore Ltd.*	100.00%	100.00%	-33143000.00	36986000.00



*Det er ikke avdekket indikasjoner på nedskrivning av aksjer i datterselskapene Odfjell Engineering AS og Odfjell Offshore Ltd. Bokført verdi er lavere enn bokført verdi av egenkapitalen i datterselskapene. Odfjell Engineering AS har positivt resultat i året, og har positive budsjetter og bra ordretilgang i årene fremover, så vi forventer positiv utvikling her, underliggende verdier anses å overstige bokført verdi. Når det gjelder Odfjell Offshore Ltd, er i utgangspunktet driften positiv også her, noe vi ser med positivt årsresultat i 2023, med MNOK 36,9 negative egenkapital-tall skyldes en skattesak (pågående) hvor det er innregnet kostnad på skyldig skatt for årene 2017 til 2021. Selskapet har fått support letter fra ultimate morselskap Odfjell Technology Ltd om at ultimate morselskap skal bistå med midler for å dekke denne kostnaden, slik at selskapet selv ikke har noen eksponering og vi da ikke har noen eksponering inn i Odfjell Platform Drilling AS. Også positive budsjetter og vi forventer positiv utvikling fremover med god drift, underliggende verdier anses å overstige bokført verdi. Virksomheten inngår i konsolideringen til morselskapets konsernregnsk.: Nei

Datterselskap er utelatt fra konsolideringen: Nei

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Skattemessig fremf.undersk.</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Kortsiktig gjeld</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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Odfjell Platform Drilling AS

Årsrapport for 2023

Årsberetning

Årsregnskap

- Resultatregnskap
- Balanse
- Kontantstrømoppstilling
- Noter

Revisjonsberetning



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Odfjell Platform Drilling AS

Årsberetning 2023

Odfjell Platform Drilling AS

Adresse: Kokstadflaten 35, 5257 Kokstad

Org.nr: 918 646 175 MVA

Virksomhetens art

Odfjell Platform Drilling AS er lokalisert i Bergen. Selskapet inngår i konsernet Odfjell Technology Ltd som driver internasjonal virksomhet innenfor plattformboring, vedlikehold og ingeniørtjenester.

Odfjell Platform Drilling AS yter tjenester innenfor forretningsstøtte, konsulentvirksomhet og er juridisk ansettelsesselskap for landansatte tilknyttet hovedsakelig plattformboring.

Betydelig økning i driftsinntekter sammenholdt med 2022, og forklaring er at man i 2023 har flyttet avdeling for RIS (Rig Inspection Services) fra datterselskap Odfjell Engineering AS til Odfjell Platform Drilling AS.

Forventet markedsutvikling

Odfjell Technology Ltd konsernet har gjennomført og iverksatt flere kostnadsreduserende tiltak og effektiviseringsprogram for å effektivisere drift og redusere kostnader så mye som mulig. Selskapet vil også fremover fokusere på effektivisering av drift og å redusere kostnader.

Oljeservicemarkedet har utviklet seg positivt de siste årene på grunn av en sterk fokus på kostnadsdisiplin og mer effektive operasjoner, kombinert med en sunnere oljeprisutvikling. Overgangen til grønnere energikilder forventes å påvirke markedet i de kommende tiårene, men behov for fortsatt leting og produksjon av olje og gass anses som viktig, og det har blitt mer tydelig i det siste, med uroen i Europa og krigen i Ukraina.

Den generelle situasjonen for den globale oljeserviceindustrien forventes å forbedre seg som et resultat av underinvestering i olje- og gasssektoren de siste 8 årene. Tilførselen av olje og gass er for lav til å møte forventet etterspørsel. Økning i investeringer og aktivitet er avgjørende for å møte det økende energibehovet samtidig som nye energikilder tar tid å implementere.

Markedet for våre boreoperasjoner og tjenester knyttet til boring har vært stabile det siste tiår. Vi har etablert en sterk tilstedeværelse i Nordsjøen med effektiv drift og sterke kunderelasjoner, som vi forventer å utnytte ytterligere. I tillegg er det muligheter for å utvide aktiviteter til andre regioner. Ingeniørmarkedet er i bedring i eksisterende leveranser og i grønne initiativer. Vi er godt posisjonert for å vokse i eksisterende tjenester og ytterligere utvide vår portefølje av grønne tjenester.

Det vil alltid knyttes usikkerhet til vurdering av fremtidige markedsforhold. Det settes sterkt fokus på å sikre høy kvalitet og sikkerhet i de tjenestene som utføres for selskapets kunder.

Aktuell ordresreserve og ingen signaler fra kunde om bruk av force majeure klausuler, gjør sitt til at selskapet i begrenset grad vurderes eksponert for bortfall av inntekter. Selskapet vil jobbe aktivt for å opprettholde omsetning i årene fremover. Det presiseres at det alltid vil være knyttet usikkerhet til fremtidig utvikling.

Styret mener at det fremlagte årsregnskapet gir et rettviseende bilde over utviklingen og resultatet av foretakets virksomhet og stilling.



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Odfjell Platform Drilling AS

Fortsatt drift

Årsberetningen og fremlagte årsregnskap for Odfjell Platform Drilling AS er utarbeidet under forutsetning om fortsatt drift.

I samsvar med regnskapsloven § 3-3a bekreftes det at forutsetningene om fortsatt drift er til stede. Det er etter styrets vurdering ikke knyttet usikkerhet til den fortsatte driften av selskapet.

Resultat, investeringer, finansiering og likviditet

Årsresultatet for Odfjell Platform Drilling AS viser et overskudd på MNOK 32,7 for 2023 sammenlignet med et underskudd på MNOK 50,0 for 2022. Driftsresultatet for 2023 viser et overskudd på MNOK 34,3 som mot underskudd på MNOK 957 i 2022. Overskuddet skyldes i all hovedsak at avdeling for RIS (Rig Inspection Services) er flyttet fra datterselskap Odfjell Engineering AS og inn i Odfjell Platform Drilling AS.

Ved utgangen av 2023 hadde selskapet en total kapital på MNOK 310,0 (MNOK 291,0 i 2022). Egenkapitalen er på MNOK 206,3 med en egenkapitalandel 66,6 % pr 31.12.2023. For 2022 var egenkapitalen på MNOK 180,3 med egenkapitalandel 61,9 %. Økning i 2023 i egenkapitalandel skyldes hovedsakelig at det ikke er gitt utbytte i 2023.

Selskapets kortsiktige gjeld ved utgangen av 2023 var MNOK 102,9 mot MNOK 110,2 i 2022. I hovedsak skyldes reduksjonen innbetalinger på konsernkonto.

Samlet kontantstrøm fra operasjonelle aktiviteter for selskapet i 2023 var positiv med MNOK 80,1 mot negativ med MNOK 5,1 i 2022. Avvik mot driftsresultat skyldes hovedsakelig endring i konsernmellomværende, ved innbetaling av utbytte på MNOK 50 fra datterselskap. Kontantstrøm fra investeringsaktiviteter var i 2023 NOK 0, mot negativ med MNOK 89,0 i 2022. Kontantstrøm fra finansieringsaktiviteter var i 2023 negativ med MNOK 79,7 mot positiv med MNOK 94,6 i 2022.

Datterselskaper leverte positive resultater for 2023, med unntak av Odfjell Operations AS som viser et underskudd for 2023 på ca MNOK 13,8. Det er forventninger for 2024 og fremover at samtlige datterselskaper skal levere positive resultater, basert på budsjett og prognoser.

Selskapets finansielle stilling anses som tilfredsstillende pr 31.12.2023. Styret er ikke kjent med at det har inntrådt forhold etter regnskapsårets slutt som er av betydning for bedømmelsen av selskapets og selskapets stilling, annet enn det som er omtalt under avsnittet «Forventet markedsutvikling».

Finansiell risiko

Markedsrisiko

Selskapet vurderes til å ha en begrenset valutarisiko da størsteparten av både inntekter og kostnader er i NOK. Risiko er knyttet til endringer i valutakursene på den delen av selskapets fordringer som er i utenlandsk valuta (GBP) samt valuta regulering av bankkonti. Selskapet har således en naturlig sikring, som tilsier at det ikke foreligger noen vesentlig driftstilknnyttet markedsrisiko.

Kreditrisiko

Selskapet leverer tjenester til offshore olje- og gassindustri og virksomhetens kunder består i hovedsak av interne konsernselskaper, hvor kreditrisiko er indirekte knyttet til konsernselskapenes kunder. I all hovedsak er disse kundene store oljeselskaper med tilfredsstillende likviditet. Selv om markedsutsiktene i bransjen ikke er på et historisk godt nivå, vurderes ikke dette å være en faktor som påvirker kreditrisiko på kort og mellomlang sikt. Kreditrisiko vurderes dermed å være lav.

Likviditetsrisiko

Selskapet har likviditetsrisiko knyttet til eventuelt bortfall av inntekter. Siden kunder i hovedsak består av interne konsernselskaper reflekteres risikoen fra Odfjell Technology Ltd - konsernet og nærstående konsern Odfjell Drilling Ltd inn i selskapet.



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Odfjell Platform Drilling AS

Arbeidsmiljø

Selskapets visjon, verdier, bedriftskultur og krav til ledere er beskrevet i konsernets styrende dokumentasjon. Dokumentene skal fremstå som et grunnleggende felleseie for alle ansatte - ledere som medarbeidere - i selskapet og gi alle medarbeidere den identitet og det verdigrunnlag som skal kjennetegne Odfjell Platform Drilling AS.

Arbeidsmiljø og personale utgjør viktige deler av konsernets bærekraftstrategi. En inngående beskrivelse av prosedyrer, målsetninger og tilhørende måltall for oppnåelse kan finnes i bærekraftrapportene som er gjort offentlig tilgjengelige på konsernets nettside: www.odfjelltechnology.com.

Selskapets ansatte er onshore personell som leder og støtter offshore operasjoner, og krever høy kompetanse innen drift og vedlikehold av bore operasjoner, ledelse, samt helse, miljø og sikkerhet. Virksomheten tilbyr kompetansehevede opplæring for å sikre kontinuerlig oppdatering av kunnskap, kompetanseheving og karriereutvikling for ansatte.

Antall ansatte ved utgangen av 2023 var 58 mot 46 i 2022, med en turnover på 5,31 % i 2023 mot 6,98 % i 2022.

Sykefravær

Totalt sykefravær for Odfjell Platform Drilling AS i 2023 var på 2,9 % mot 2 % i 2022. Oppfølging og forebygging av sykefraværet har hatt høy fokus i 2023. Konsernet har etablert bedriftshelsetjeneste og selskapet følger opp sykemeldt personell etter de prinsipper som ligger til grunn for et inkluderende arbeidsliv. I tillegg har alle våre ansatte helseforsikring som tilbyr både forebyggende og konsekvensreducerende helsetiltak.

Det er i konsernet etablert både verneombud og arbeidsmiljøutvalg med tilrettelagt opplæring for de valgte personer. Videre har konsernet eget sosial- og attføringsutvalg og AKAN utvalg.

Arbeidsmiljø:

Arbeidsmiljøet i Odfjell Platform Drilling AS anses for å være bra, noe som avdekkes gjennom årlige organisasjon- og arbeidsmiljøundersøkelser for ansatte i selskapet. Gjennom undersøkelsene får selskapet verdifull informasjon om hvordan ansatte opplever arbeidsoppgaver, arbeidsprosesser, arbeidsmengde, sosialt samspill og ledelse. Den gir også informasjon om hva som krever ytterlig fokus og virkninger av forbedringstiltak. Det er et viktig verktøy for å fremme og videreutvikle et godt arbeidsmiljø. Tiltak for å motvirke dette, som tett ledelsesoppfølging, informasjon om forebygging av potensiell risiko og trivselstiltak via teams ble iverksatt og resultatet på arbeidsmiljøundersøkelsen for landansatte for 2023 viste høy score på alle faktorer.

Helse, miljø og sikkerhet

Selskapets HMS policy er å opprettholde den høyeste sikkerhetsstandard og beskytte helsen til våre arbeidstakere. Selskapet skal arbeide for å redusere negative effekter for ytre miljø og en bærekraftig utvikling.

Odfjell Technology arbeider kontinuerlig for forbedringsprosesser innenfor helse, miljø og sikkerhet (KHMS) for å forhindre situasjoner som kan få uønskede konsekvenser, og på denne måten oppnå målsetningen om å beskytte våre arbeidstakers helse. Odfjell Platform Drilling AS har ikke hatt arbeidsrelaterte skader siste år.

Ytre miljø og miljørapportering

Selskapet HMS Policy og selskapets styringssystem for miljø, basert på ISO 14000, definerer krav og forventninger for å unngå negativ påvirkning av miljøet. Samtlige forretningsområder i Odfjell Technology er sertifisert til ISO-14001. Odfjell Technology jobber også aktivt med bærekraft og ESG-rapportering på konsernnivå. Det vises til årlig ESG rapport og årsrapport for konsernet i denne sammenheng.

Selskapets virksomhet forurenser ikke det ytre miljø.



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Odfjell Platform Drilling AS

Likestilling og diskriminering

Redegjørelse i henhold til Likestillings- og diskrimineringsloven §26 er tilgjengelig på Odfjell Technology's offentlige webside; www.odfjelltechnology.com.

I Odfjell Platform Drilling AS var kvinneandelen 33 % ved utgangen av 2023, mot 24 % i utgangen av 2022. Selskapet arbeider aktivt for å forhindre diskriminering som følge av nedsatt funksjonsevne, etnisitet, nasjonal opprinnelse, hudfarge, religion eller livssyn.

Som et ledd i selskapets "Human Right Policy" er det også vedtatt forbud mot alle former for tvangsarbeid eller barnarbeid. All Odfjell Technology's aktivitet skal være i samsvar med internasjonalt anerkjente arbeidsstandarder innenfor områder som lønn, arbeidstid, disiplinære metoder, arbeidsavtaler og arbeidsforhold. Tilsvarende krav skal også håndheves gjennom kontrakter med leverandører, samarbeidspartnere, agenter etc.

Konsernets «Human rights policy» i henhold til ikrafttredelse av den nye Åpenhetsloven av 1. juli 2022, samt selskapets Likestillingsredegjørelse er tilgjengelig på Odfjell Technology's offentlige webside; www.odfjelltechnology.com.

Styreansvarsforsikring

Det er tegnet forsikring på konsernnivå for styrets medlemmer og daglig leder for deres mulige ansvar overfor selskapet og tredjepersoner. Forsikringen er begrenset til MNOK 75 per år og per hendelse.

Bergen, 29. april 2024
Styret for Odfjell Platform Drilling AS

Simen Lieungh

Simen Lieungh
Styreleder

Kurt Meinert Fjell

Kurt Meinert Fjell
Daglig leder

Harald Asle Hereid

Harald Asle Hereid
Styremedlem

Fredrik Glenjen

Fredrik Glenjen
Styremedlem

Kurt Werner Holsæter

Kurt Werner Holsæter
Styremedlem

Jone Tørstensen

Jone Tørstensen
Styremedlem



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Odfjell Platform Drilling AS

Resultatregnskap

Beløp vises i tusen kr

	Note	2023	2022
Driftsinntekter			
Driftsinntekter	2, 3	349 383	83 354
Driftskostnader			
Lønnskostnad	4, 5, 6, 9	234 665	74 712
Avskrivning	7	0	2 295
Annen driftskostnad	8, 9	80 360	5 391
Sum driftskostnader		<u>315 025</u>	<u>82 397</u>
Driftsresultat		<u>34 357</u>	<u>957</u>
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap	10	0	50 000
Finansinntekt	11	1 151	532
Finanskostnad	11	<u>2 831</u>	<u>630</u>
Netto finansposter		<u>-1 680</u>	<u>49 902</u>
Ordinært resultat før skattekostnad		<u>32 678</u>	<u>50 858</u>
Skattekostnad på ordinært resultat	12	<u>7 370</u>	<u>810</u>
Årsresultat		<u>25 308</u>	<u>50 048</u>
Overføringer og disponeringer			
Overføringer annen egenkapital	13	25 308	50 048



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Odfjell Platform Drilling AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2023	2022
Anleggsmidler			
<i>Finansielle anleggsmidler</i>			
Investeringer i datterselskap	10	239 132	213 513
Pensjonsmidler	6	2 926	2 272
Sum finansielle anleggsmidler		<u>242 058</u>	<u>215 785</u>
Sum anleggsmidler		<u>242 058</u>	<u>215 785</u>
Omløpsmidler			
<i>Fordringer</i>			
Kundefordringer	14, 15	56 913	12 476
Fordring konsernkontoordning	16	0	0
Andre fordringer	14, 15	<u>8 015</u>	<u>60 091</u>
Sum fordringer		<u>64 928</u>	<u>72 567</u>
Bankinnskudd, kontanter og lignende	17	<u>3 035</u>	<u>2 660</u>
Sum omløpsmidler		<u>67 963</u>	<u>75 227</u>
Sum eiendeler		<u>310 021</u>	<u>291 012</u>



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Odfjell Platform Drilling AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2023	2022
Egenkapital			
<i>Innskutt egenkapital</i>			
Aksjekapital	13, 18	1 337	1 337
Overkurs	13	8 492	8 492
Annen innskutt egenkapital	5, 13	18 235	17 452
Sum innskutt egenkapital		28 063	27 280
<i>Opptjent egenkapital</i>			
Annen egenkapital	13	178 324	153 016
Sum egenkapital		206 387	180 296
Gjeld			
<i>Avsetninger for forpliktelser</i>			
Utsatt skatt	12	644	500
<i>Kortsiktig gjeld</i>			
Leverandørgjeld	14, 15	28 283	3 015
Betalbar skatt	12	0	0
Skyldige offentlige avgifter		6 553	4 857
Gjeld konsernkontoordning	16	7 618	84 038
Annen kortsiktig gjeld	14, 15	60 536	18 306
Sum kortsiktig gjeld		102 990	110 216
Sum gjeld		103 633	110 716
Sum egenkapital og gjeld		310 021	291 012

Bergen, 29. april 2024

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Styreleder

Kurt Meinert Fjell

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Odfjell Platform Drilling AS

Kontantstrømoppstilling

Beløp vises i tusen kr

	Note	2023	2022
Kontantstrømmer fra operasjonelle aktiviteter			
Resultat før skattekostnad		32 678	50 858
Resultatandel i datterselskap/tilknyttet selskap		0	-50 000
Ordinære avskrivninger	6	0	2 295
Endring i varelager, kundefordringer og leverandørgjeld		16 237	-5 089
Forskjeller i pensjonsmidler/-forpliktelser		-654	-324
Endring i andre tidsavgrensningposter		9 026	-3 294
Endring i kortsiktige konsernmellomværende ekskl. konsernbidrag		22 083	136
Kostnad aksjeopsjonsprogram	5	783	296
Netto kontantstrøm fra operasjonelle aktiviteter		<u>80 154</u>	<u>-5 121</u>
Kontantstrømmer fra investeringsaktiviteter			
Utbetalinger ved kjøp av aksjer og andeler i andre foretak	9	<u>0</u>	<u>-89 000</u>
Netto kontantstrøm fra investeringsaktiviteter		<u>0</u>	<u>-89 000</u>
Kontantstrømmer fra finansieringsaktiviteter			
Inn-/utbetalinger av konsernbidrag		-3 359	306
Netto endring fordring / gjeld konsernkontoordning	15	<u>-76 420</u>	<u>94 355</u>
Netto kontantstrøm fra finansieringsaktiviteter		<u>-79 778</u>	<u>94 660</u>
Netto endring i likvider i året		376	539
Kontanter og bankinnskudd per 01.01		<u>2 660</u>	<u>2 121</u>
Kontanter og bankinnskudd per. 31.12		<u>3 035</u>	<u>2 660</u>



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Odfjell Platform Drilling AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 1 - Regnskapsprinsipper

Selskapet ble stiftet 16. februar 2017 og driver virksomhet innenfor platformboring, i hovedsak for selskaper i Odfjell Drilling konsern.

Årsregnskapet består av resultatregnskap, balanse, noteopplysninger, kontantstrømoppstilling og er avlagt i samsvar med regnskapslov og god regnskapsskikk i Norge. Norske kroner benyttes som funksjonell og rapporterings valuta i regnskapet.

Odfjell Platform Drilling AS er morselskap og konsernspiss i Odfjell Platform Drilling AS-konsernet. Konsernet utgjør en del av Odfjell Technology Ltd-konsernet, og har forretningsaktivitet i Norge. Selskapet fikk i 2018 fritak for å utarbeide konsernregnskap siden selskapets ultimate morselskap Odfjell Technology Ltd., som har forretningskontor i Aberdeen, Scotland, United Kingdom, er børsnotert.

Konsernregnskapet er tilgjengelig på selskapets hjemmeside www.odfjelltechnology.com.

Salgsinntekter

Selskapets tjenester inntektsføres etter hvert som de leveres.

Aksjeopsjoner

Konsernet har aksjeopsjonsprogrammer for selskapets ledelse. Programmene måles til virkelig verdi på tildelingsdatoen. Opsjonsprogrammet for selskapets øverste ledelse er en ordning med oppgjør i aksjer. Virkelig verdi av tildelte opsjoner periodiseres over den periode de ansatte innviner rett til å motta opsjonene, hvilket vil si over den avtalte fremtidige tjenestetiden.

Kostnaden ved aksjebaserte transaksjoner med ansatte innregnes som en kostnad over gjennomsnittlig innvinningsperiode. For transaksjoner som gjøres opp i selskapets egenkapitalinstrumenter (ordninger med oppgjør i aksjer) regnskapsføres verdien av de tildelte opsjonene i perioden som en lønnskostnad i resultatet og med motpost annen innskutt egenkapital.

Arbeidsgiveravgift på opsjoner betalinger innregnes i resultatet over forventet opptjeningsperiode.

Datterselskap

Datterselskapet vurderes etter kostmetoden i selskapsregnskapet. Investeringen er vurdert til anskaffelseskost for aksjene med mindre nedskrivning har vært nødvendig. Det er foretatt nedskrivning til virkelig verdi når verdifall skyldes årsaker som ikke kan antas å være forbigående og det må anses nødvendig etter god regnskapsskikk. Nedskrivninger er reversert når grunnlaget for nedskrivning ikke lenger er til stede.

Utbytte og andre utdelinger er inntektsført samme år som det er avsatt i datterselskapet. Overstiger utbytte andel av tilbakeholdt resultat etter kjøpet, representerer den overskytende del tilbakebetaling av investert kapital, og utdelingene er fratrukket investeringens verdi i balansen.

Fordringer

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene. I tillegg gjøres det for øvrige kundefordringer en uspesifisert avsetning for å dekke antatt tap.



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Odfjell Platform Drilling AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Klassifisering og vurdering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter balansedagen, samt poster som knytter seg til varekretsløpet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Anleggsmidler med begrenset økonomisk levetid avskrives planmessig. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Valuta

Transaksjoner i annen valuta som er med i resultatregnskapet er omregnet til norske kroner etter gjeldende kurs på transaksjonstidspunktet. Pengeposter i utenlandsk valuta er omregnet til norske kroner ved å benytte balansedagens kurs. Ikke-pengeposter som måles til historisk kurs uttrykt i utenlandsk valuta, omregnes til norske kroner ved å benytte valutakursen på transaksjonstidspunktet. Ikke-pengeposter som måles til virkelig verdi uttrykt i utenlandsk valuta, omregnes til valutakursen fastsatt på balansetidspunktet. Valutakursendringer resultatføres løpende i regnskapsperioden.

Immaterielle eiendeler

Immaterielle eiendeler som er kjøpt separat måles ved førstegangs innregning til kost. I senere perioder regnskapsføres immaterielle eiendeler til kost fratrukket akkumulerte av- og nedskrivninger.

Internt genererte immaterielle eiendeler, med unntak av utviklingskostnader som er innregnet i oppstilling av finansiell stilling, kostnadsføres løpende.

Immaterielle eiendeler med bestemt levetid avskrives over utnyttbar levetid. Utnyttbar levetid og avskrivningsmetode for immaterielle eiendeler med bestemt levetid vurderes minst én gang i året. Lineære avskrivninger brukes for de fleste immaterielle eiendeler da dette best reflekterer forbruket av eiendelene. Gevinst eller tap ved avgang av immaterielle eiendeler beregnes som differansen mellom netto salgsinntekt og eiendelens regnskapsførte verdi, og rapporteres som inntekter og kostnader på separate linjer i resultatregnskapet.

Pensjoner

Pensjonskostnader og pensjonsforpliktelser beregnes etter lineær opptjening basert på forventet sluttlønn. Beregningen er basert på en rekke forutsetninger herunder diskonteringsrente, fremtidig regulering av lønn, pensjoner og ytelser fra folketrygden, fremtidig avkastning på pensjonsmidler samt aktuarmessige forutsetninger om dødelighet og frivillig avgang. Pensjonsmidler er vurdert til virkelig verdi og fratrukket i netto pensjonsforpliktelser i balansen. Endringer i forpliktelsen som skyldes endringer i pensjonsplaner fordeles over antatt gjenværende opptjeningstid. Endringer i forpliktelsen og pensjonsmidlene som skyldes endringer i og avvik i beregningsforutsetningene (estimatendringer) fordeles over antatt gjennomsnittlig gjenværende opptjeningstid hvis avvikene ved årets begynnelse overstiger 10 % av det største av brutto pensjonsforpliktelser og pensjonsmidler.

Skatter

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet og nettoført. Netto utsatt skattefordel balanseføres i den grad det er sannsynlig at denne kan bli nyttiggjort.



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Odfjell Platform Drilling AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Bruk av estimater

Ledelsen har brukt estimater og forutsetninger som har påvirket resultatregnskapet og verdsettelsen av eiendeler og gjeld, samt usikre eiendeler og forpliktelser på balansedagen under utarbeidelsen av årsregnskapet i henhold til god regnskapsskikk.

Kontantstrømoppstilling

Kontantstrømoppstillingen er utarbeidet etter den indirekte metode. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd, fordring konsernkontoordning og andre kortsiktige, likvide plasseringer.

Note 2 - Salgsinntekter

Beløp vises i tusen kr

	2023	2022
<i>Pr. virksomhetsområde</i>		
Teknisk management Norge	83 629	75 562
Teknisk management UK	7 211	7 792
Utleie personell Norge og Nordsjøen	212 488	0
Utleie personell Storbritannia	846	0
Utleie av utstyr Norge og Nordsjøen	6 554	0
Andre driftsinntekter	38 655	0
	<u>349 383</u>	<u>83 354</u>

Selskapets driftsinntekter er knyttet til utleie av personell (offshore og onshore), tekniske og administrative tjenester utført for datterselskap i Norge og UK samt utleie av utstyr. Betydelig økning i driftsinntekter sammenholdt med 2022, og forklaring er at man i 2023 har flyttet avdeling for RIS (Rig Inspection Services) fra datterselskap Odfjell Engineering AS til Odfjell Platform Drilling AS

Note 3 - Nærstående transaksjoner - inntekt fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser.

Beskrivelse nærstående part	Type transaksjon	2023	2022
OT Ltd Group - konsernselskap	Teknisk management Norge	79 033	75 562
OT Ltd Group - konsernselskap	Teknisk management UK	7 211	7 792
OT Ltd Group - konsernselskap	Utleie personell	49 346	0
OT Ltd Group - konsernselskap	Andre driftsinntekter	20 618	0
OT Ltd Group - konsernselskap	Utleie utstyr	1 653	0
OD Ltd Group - nærstående part	Utleie personell	48 505	0
OD Ltd Group - nærstående part	Andre driftsinntekter	4 721	0
OD Ltd Group - nærstående part	Utleie utstyr	1 608	0
Sum		<u>212 696</u>	<u>83 354</u>

Betydelig økning i driftsinntekter sammenholdt med 2022, og forklaring er at man i 2023 har flyttet avdeling for RIS (Rig Inspection Services) fra datterselskap Odfjell Engineering AS til Odfjell Platform Drilling AS

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).



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Odfjell Platform Drilling AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 4 - Lønnskostnader, antall ansatte, lån til ansatte og godtgjørelse til revisor

Beløp vises i tusen kr

Lønnskostnader	2023	2022
Lønninger	66 329	48 767
Arbeidsgiveravgift	12 291	8 480
Pensjonskostnader, se også note 6	6 446	5 518
Andre ytelser	3 167	2 987
Kostnad aksjeopsjonsprogram, se note 5	783	296
Innleie av personell	145 649	8 663
Sum	234 665	74 712

Selskapet har i regnskapsåret sysselsatt totalt 58 årsverk.

Ytelser til ledende personer

	Lønn	Pensjonsutgifter	Andre godtgjørelser
Daglig leder: periode 01.01.2023 - 31.12.2023	2 299	184	996

Andre godtgjørelser består av henholdsvis TNOK 850 i bonus, og TNOK 145 i forsikringer, firmabil/bilgodtgjørelse, telefon/it, fri avis, fordel ledsager på reise og andre naturalytelser.

Det er ikke utbetalt styrehonorar eller ytet lån eller stilt garantier til daglig leder, styreleder eller andre nærstående parter.

Godtgjørelse til revisor er fordelt på følgende:	2023	2022
Lovpålagt revisjon	128	40

Merverdiavgift er ikke inkludert i revisjonshonoraret.



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Odfjell Platform Drilling AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 5 - Aksjebasert betaling

Beløp vises i tusen kr

Konsernet har aksjeopsjonsprogrammer for selskapets ledelse. Programmene måles til virkelig verdi på tildelingsdatoen. Opsjonsprogrammet for selskapets verste ledelse er en ordning med oppgjør i aksjer. Virkelig verdi av tildelte opsjoner periodiseres over den periode de ansatte innviner rett til å motta opsjonene, hvilket vil si over den avtalte fremtidige tjenestetiden.

Kostnaden ved aksjebaserte transaksjoner med ansatte innregnes som en kostnad over gjennomsnittlig innvinningsperiode. For transaksjoner som gjøres opp i selskapets egenkapitalinstrumenter (ordninger med oppgjør i aksjer) regnskapsføres verdien av de tildelte opsjonene i perioden som en innskostnad i resultatet og med motpost annen innskutt egenkapital.

Arbeidsgiveravgift på opsjonene innregnes i resultatet over forventet opptjeningsperiode.

Detaljer vedrørende aksjeopsjonsprogrammet:

15. august 2022 implementerte selskapet en langsiktig incentiv plan for ledende ansatte. Totalt 240 000 aksjeopsjoner har blitt tildelt ledende ansatte i selskapet med en innløsningspris på NOK 24,11 per aksjeopsjon.

Aksjeopsjonene kan bare bli utøvd i 3 like deler, i år 2, 3 og 4 etter utstedelsesdato. Aksjeopsjonene kan bli utøvd i etterfølgende år. Aksjeopsjoner som ikke er utøvd i de første 2 årene etter utstedelsesdato kan bli rullert frem til neste år. Aksjeopsjoner som ikke er utøvd innen sluttperioden som er 3. kvartal i 2025, vil bli slettet.

Oversikt utestående aksjeopsjoner	2023	2022
Utestående opsjoner 1.1	240	0
Tildelte opsjoner	0	240
Utestående opsjoner 31.12	240	240

Virkelig verdi på opsjonene er estimert ved hjelp av Black and Scholes opsjonspriseringsmodell. Gjennomsnittlig virkelig verdi av tildelte opsjoner i 2022 var NOK 9,80. Total kostnad på aksjeopsjonsprogrammet er beregnet ved bruk av virkelig verdi per opsjon (NOK 9,80 / pr opsjon) multiplisert med antall opsjoner (240 000). Total kostnad tilsvarer omtrent NOK 2,3 mill. og kostnadsføres over opsjonens levetid, forventet frem til august 2025. Kostnadsført knyttet til aksjeopsjoner i 2023 er TNOK 783, se for øvrig note 4.

Følgende forutsetninger er lagt til grunn for beregningen:

Aksjekurs på tildelingstidspunkt

Aksjeprisen er satt lik børskursen på tildelingstidspunktet.

Innløsningskurs pr. opsjon

Innløsningsprisen er NOK 24,11 per opsjon.

Volatilitet

Det er forutsatt at historisk volatilitet er en indikasjon på fremtidig volatilitet.

Forventet volatilitet er derfor satt lik historisk volatilitet som tilsvarer en volatilitet på 55 %.



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Odfjell Platform Drilling AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Opsjonens levetid

Opsjonens forventede løpetid er 3 år.

Utbytte

Forventet utbytte per aksje er NOK 0 pr. år.

Risikofri rente

Risikofri rente som er lagt til grunn for beregning av opsjoner er på 3,67 % for 2023.



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Odfjell Platform Drilling AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 6 - Pensjoner

Beløp vises i tusen kr

Selskapet er pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne lov.

Selskapet har en kollektiv innskuddsbasert ordning med sparedel og tilhørende risikodekning av uføre-, ektefelle- og barnepensjon. Denne ordningen omfatter 54 personer pr. 31.12.2023 (45 personer pr. 31.12.2022).

Selskapet har i tillegg en lukket kollektiv ytelsesbasert pensjonsordning som omfatter 2 aktive. Ordningen er forsikret i porteføljen til DNB Liv ASA. Ordningen gir rett til definerte fremtidige ytelser. Disse er i hovedsak avhengig av antall opptjeningsår, lønnsnivå ved oppnådd pensjonsalder og størrelsen på ytelsene fra folketrygden. I tilknytning til ytelsesordningen har selskapet risikodekning av uføre-, ektefelle- og barnepensjon.

Selskapet er medlem av den nye AFP-ordningen. AFP-ordningen er en ordning som gir livslangt tillegg på den ordinære pensjonen. De ansatte kan velge å ta ut den nye AFP-ordningen fra og med fylte 62 år. Den nye AFP-ordningen er en ytelsesbasert flerforetakspensjonsordning og finansieres gjennom premier som fastsettes som en prosent av lønn. Foreløpig foreligger ingen pålitelig måling og allokering av forpliktelse og midler i ordningen. Regnskapsmessig blir ordningen behandlet som en innskuddsbasert pensjonsordning hvor premiebetalingen kostnadsføres løpende, og ingen avsetning foretas i regnskapet.

I 2023 utgjorde premien 2,6 % av lønn mellom 1G og 7,1G. Premiesatsen for 2024 vil være uendret.

Selskapet har et pensjonsløfte overfor de ansatte på inntil 1G årlig i perioden 62-67 år ved fratredelse av stilling, forutsatt at de tilfredsstiller kravene til å motta ny AFP. Sannsynligheten for uttak er så lav at forpliktelsen ikke er balanseført. Ved faktisk uttak av gavepensjon blir totalkostnad kostnadsført umiddelbart.

	2023	2022
Nåverdi av årets pensjonsopptjening	417	601
Rentekostnad av pensjonsforpliktelsen	454	207
Avkastning på pensjonsmidler	-577	-311
Arbeidsgiveravgift	65	93
Administrasjonskostnader	165	161
Resultatført estimatavvik	302	382
Netto pensjonskostnad ytelsesordning	826	1 133
Kostnad innskuddspensjon inkludert risikodekning	4 560	3 742
Kostnad flerforetaksordning bokført som innskuddsbasert (AFP)	1 060	645
Netto pensjonskostnad ytelsesordning	6 446	5 518



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Odfjell Platform Drilling AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

	2023	2022
Opptjente pensjonsforpliktelser	14 958	14 375
Beregnete pensjonsforpliktelser	14 958	14 375
Pensjonsmidler (til markedsverdi)	12 419	11 385
Ikke resultatført virkning av estimatavvik	-5 823	-5 684
Arbeidsgiveravgift	358	422
Netto balanseført pensjonsforpliktelse (+)/-midler (-)	-2 926	-2 272

Økonomiske forutsetninger:

	2023	2022
Diskonteringsrente	3,70%	3,20%
Forventet lønnsregulering	3,75%	3,75%
Forventet avkastning på fondsmidler	5,40%	4,90%
Forventet pensjonsøkning	2,40%	1,70%
Forventet G-regulering	3,50%	3,50%

De aktuariemessige forutsetningene er basert på vanlige benyttede forutsetninger innen forsikring når det gjelder demografiske faktorer.

Note 7 - Immaterielle eiendeler

Beløp vises i tusen kr

	Goodwill
Anskaffelseskost pr 01.01.2023	121 632
Anskaffelseskost 31.12.2023	121 632
Akk.avskrivninger 31.12.2023	-121 632
Balanseført verdi pr.31.12.2023	0
Avskrivningsplan	20 years Lineær

Note 8 - Driftskostnader

Beløp vises i tusen kr

	2023	2022
Innleide tjenester	38 553	785
Kurs og reisekostnader	17 703	2 302
Annen driftskostnad	12 539	2 304
Leie av utstyr, samt vedlikehold av utstyr	11 565	0
Sum	80 360	5 391

Betydelig økning i andre driftskostnader sammenholdt med 2022. Forklaring er økt aktivitetsnivå i selskapet, da avdeling for RIS (Rig Inspection Services) er flyttet fra datterselskap Odfjell Engineering AS til Odfjell Platform Drilling AS. Dette har medført økte inntekter og økte kostnader i selskapet.



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Odfjell Platform Drilling AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 9 - Nærstående transaksjoner - kjøp/kostnad fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser.

Beskrivelse nærstående part	Type transaksjon	2023	2022
OT Ltd Group - konsernselskap	Innleid personnell	49 526	4 984
OD Ltd Group - nærstående part	Innleid personnell	0	43
Sum		49 526	5 028

Betydelig økning i kostnader knyttet til innleid personell fra konsernselskap. Forklaring er at avdeling for RIS (Rig Inspection Services) er flyttet fra søsterselskap Odfjell Engineering AS til Odfjell Platform Drilling AS i 2023.

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).

Note 10 - Datterselskap m v

Beløp vises i tusen kr

Selskap	Kontor	Eier- andel	Stemme- andel	Resultat 2023	Egenkapital pr. 31.12	Bokført verdi pr. 31.12
Odfjell Operations AS	Bergen	100 %	100 %	-13 797	63 784	52 943
Odfjell Technology (UK) Ltd	Aberdeen (UK)	100 %	100 %	76 583	384 860	60 450
Odfjell Engineering AS*	Bergen	100 %	100 %	55 098	17 077	89 000
Odfjell Offshore Ltd.*	Bergen	100 %	100 %	36 986	-33 143	36 738
Sum				154 870	432 578	239 132

*Det er ikke avdekket indikasjoner på nedskrivning av aksjer i datterselskapene Odfjell Engineering AS og Odfjell Offshore Ltd. Bokført verdi er lavere enn bokført verdi av egenkapitalen i datterselskapene. Odfjell Engineering AS har positivt resultat i året, og har positive budsjetter og bra ordretilgang i årene fremover, så vi forventer positiv utvikling her, underliggende verdier anses å overstige bokført verdi. Når det gjelder Odfjell Offshore Ltd, er i utgangspunktet driften positiv også her, noe vi ser med positivt årsresultat i 2023, med MNOK 36,9 negative egenkapital-tall skyldes en skattesak (pågående) hvor det er innregnet kostnad på skyldig skatt for årene 2017 til 2021. Selskapet har fått support letter fra ultimate morselskap Odfjell Technology Ltd om at ultimate morselskap skal bistå med midler for å dekke denne kostnaden, slik at selskapet selv ikke har noen eksponering og vi da ikke har noen eksponering inn i Odfjell Platform Drilling AS. Også positive budsjetter og vi forventer positiv utvikling fremover med god drift, underliggende verdier anses å overstige bokført verdi.



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Odfjell Platform Drilling AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 11 - Finansinntekter og -kostnader

Beløp vises i tusen kr

Finansinntekter

	2023	2022
Renteinntekter	201	46
Netto valutagevinst	209	34
Andre finansinntekter	740	453
Sum finansinntekter	1 151	532

Finanskostnader

	2023	2022
Rentekostnader	-2 805	-617
Andre finanskostnader	-26	-14
Sum finanskostnader	-2 831	-630



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Odfjell Platform Drilling AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 12 - Skatt

Beløp vises i tusen kr

<i>Årets skattekostnad fordeler seg på:</i>	2023	2022
Betalbar skatt	7 226	739
Endring utsatt skatt	144	71
Årets totale skattekostnad	<u>7 370</u>	<u>810</u>
<i>Beregning av årets skattegrunnlag:</i>	2023	2022
Ordinært resultat før skattekostnad	32 678	50 858
Permanente forskjeller	821	2 827
Tilbakeføring av inntektsført utbytte	0	-50 000
Endring i midlertidige forskjeller	-654	-324
Alminnelig inntekt	<u>32 845</u>	<u>3 361</u>
Anvendt fremførbart underskudd	0	-2
Ytet konsernbidrag	<u>-32 845</u>	<u>-3 358</u>
Årets skattegrunnlag	<u>0</u>	<u>0</u>
Betalbar skatt (22%) av årets skattegrunnlag	0	0
<i>Oversikt over midlertidige forskjeller</i>	2023	2022
Netto pensjonsmidler	<u>2 926</u>	<u>2 272</u>
Netto midlertidige forskjeller pr 31.12	<u>2 926</u>	<u>2 272</u>
Utsatt skattefordel/Utsatt skatt (22%)	644	500
<i>Oversikt over permanente forskjeller</i>	2023	2022
Ikke fradragsberettigede representasjonskostnader	818	219
Andre ikke fradragsberettigede kostnader	3	2 608
Sum permanente forskjeller	<u>821</u>	<u>2 827</u>
<i>Forklaring til hvorfor årets skattekostnad ikke utgjør 22% av resultat før skatt</i>	2023	
22% skatt av resultat før skatt	7 189	
Permanente forskjeller (22%)	181	
Beregnet skattekostnad	<u>7 370</u>	
Effektiv skattesats *)	22,6 %	
*) Skattekostnad i forhold til resultat før skatt		



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Odfjell Platform Drilling AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 13 - Egenkapital

Beløp vises i tusen kr

	Aksjekapital	Overkurs	Annen innskutt egenkapital	Annen egenkapital	Sum
Egenkapital 01.01.	1 337	8 492	17 452	153 016	180 296
Årsresultat	0	0	0	25 308	25 308
Aksjeopsjonsprogram, se note 5	0	0	783	0	783
Egenkapital 31.12.	1 337	8 492	18 235	178 324	206 387

Note 14 - Fordringer og gjeld

Beløp vises i tusen kr

<i>Kundefordringer</i>	2023	2022
Kundefordringer - brutto	14 375	32
Kundefordringer - konsern, se note 15	42 537	12 444
Sum netto kundefordringer	56 913	12 476
<i>Andre kortsiktige fordringer</i>		
Andre kortsiktige fordringer konsern, se note 15	5 030	57 719
Forskuddsbetalte kostnader	1 272	1 117
Tilgode MVA	1 436	1 264
Andre kortsiktige fordringer	278	-10
Sum andre kortsiktige fordringer	8 015	60 091
<i>Leverandørgjeld</i>		
Leverandørgjeld - ekstern	-17 931	-1 809
Leverandørgjeld - konsern, se note 15	-10 352	-1 206
	-28 283	-3 015
<i>Annen kortsiktig gjeld</i>		
Kortsiktig gjeld til konsern, se note 15	-37 836	-3 550
Påløpt lønn, feriepenger og overtid etc.	-13 289	-13 772
Andre påløpte kostnader	-9 412	-985
	-60 536	-18 306



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Odfjell Platform Drilling AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 15 - Mellomværende med selskap i samme konsern og tilknyttet selskap

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser.

<i>Kortsiktige driftsrelaterte fordringer</i>	2023	2022
OT Ltd Group - konsernselskap	34 467	20 164
OD Ltd Group - nærstående part	13 100	0
Sum driftsrelaterte fordringer	<u>47 567</u>	<u>20 164</u>
 <i>Kortiktig driftsrelatert gjeld</i>	 2023	 2022
OT Ltd Group - konsernselskap	-15 341	-1 287
OD Ltd Group - nærstående part	-1	-110
Sum driftsrelatert gjeld	<u>-15 343</u>	<u>-1 397</u>
 <i>Konsernbidrag og utbytte</i>	 2023	 2022
OT Ltd Group - konsernselskap - avgitt konsernbidrag	-32 845	-3 358
OT Ltd Group - konsernselskap - mottatt utbytte	0	50 000
Sum (mottatt + / avgitt -)	<u>-32 845</u>	<u>46 642</u>

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).

Note 16 - Konsernkontoordning

Beløp vises i tusen kr

Selskapets driftkontoer på inngår i konsernkontoordning hvor Odfjell Technology Ltd. er konsernkontoeier og således eier av bankmidlene. Konsernkontosystemet er opprettet for å bidra til en optimal likviditetsstyring i Odfjell Technology Ltd. konsernet. Selskapet har solidaransvar for innskudd i konsernkontoordning, og har ikke separatt rettighet for midler som inngår i konsernkontoordningen. Netto innestående på konsernkontoordningen er klassifisert som annen kortsiktig fordring i balansen.

<i>Oversikt konsernkontoordning</i>	2023	2022
NOK	-10 078	-86 345
GBP	2 460	2 307
Sum konsernkontoordning (- gjeld / + fordring)	<u>-7 618</u>	<u>-84 038</u>

Note 17 - Bankinnskudd

Beløp vises i tusen kr

	2023
Bundne skattetreksmidler utgjør	3 035



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Odfjell Platform Drilling AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 18 - Aksjekapital og aksjonærinformasjon

Beløp vises i tusen kr

Aksjekapitalen består av:

	Antall	Pålydende	Balanseført
Ordinary shares	1 337 089	1	1 337

All shares in the company belong to the same share class and have equal voting rights.

Oversikt over aksjonærene i selskapet pr. 31.12:

	Ordinære aksjer	Sum	Eier- andel	Stemme- andel
Odfjell Technology Ltd	1 337 089	1 337 089	100 %	100 %

Note 19 - Pant og garantier

Beløp vises i tusen kr

Selskapets aksjer er pantsatt som sikkerhet for Odfjell Technology Ltd's noterte obligasjonslån i Nordic Trustee på NOK 1 100 millioner, samt RCF på USD 25 millioner i DnB . Odfjell Platform Drilling AS er også garantist for nevnte bond- og banklån.

Odfjell Platform Drilling AS har stilt garanti under Odfjell Operations AS sin plattformboringskontrakt med Equinor Energy AS for Heidrun.

Odfjell Platform Drilling AS har også stilt garanti for Odfjell Engineering AS sin kontrakt vedrørende modifikasjonsarbeid på Heidrun FSU med OSM Offshore AS som er manager for Equinor Energy AS.

Odfjell Platform Drilling AS har vider stilt garanti for Odfjell Engineering AS sin kommende rammeavtale med Aker BP ASA. Rammeavtalen gjelder levering av ingeniør- og vedlikeholdstjenester HVAC+R for eksisterende installasjoner; Ula, Valhall, Ivar Aasen, Edvard Grieg, Skarv og Alvheim FPSO, og eventuelle nye eiendeler under AkerBP.

Videre har selskapet garantert for Odfjell Technology (UK) Limited sine kontraktsforpliktelser overfor Taqa Bratani Limited.

Konsernet Odfjell Technology har fellesregistrering knyttet til merverdiavgift for konsernets avgiftsregistrerte foretak. Selskapet inngår i denne fellesregistreringen og er således solidarisk ansvarlig for skyldig merverdiavgift i Norge.



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Til generalforsamlingen i Odfjell Platform Drilling AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert årsregnskapet for Odfjell Platform Drilling AS som består av balanse per 31. desember 2023, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2023, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke informasjonen i årsberetningen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder

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Drammen	Kristiansund	Straume	

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vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av intern kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifierer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.

Bergen

KPMG AS

Ståle Christensen
Statsautorisert revisor
(elektronisk signert)

Penneo Dokumentnøkkel: 20H57-5M4QD-Z4YAI-W6SX3-TH003-SIOI6



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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Christensen, Ståle

Partner

På vegne av: KPMG AS

Serienummer: no_bankid:9578-5999-4-1660746

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ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	918 646 175
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ODFJELL PLATFORM DRILLING AS
Forretningsadresse:	Kokstadflaten 35 5257 KOKSTAD

Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
-------------------------	-------------------------

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Thomas Pettersen
Dato for fastsettelse av årsregnskapet:	03.05.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 18.02.2025



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Driiftsinntekter		83 354 000	67 968 000
Sum inntekter	2, 3	83 354 000	67 968 000
Kostnader			
Lønnskostnad	4, 5, 6, 9	74 712 000	66 254 000
Avskrivning	7	2 295 000	9 180 000
Annen driftskostnad	8, 9	5 391 000	1 574 000
Sum kostnader		82 397 000	77 008 000
Driftsresultat		957 000	-9 040 000
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap	10	50 000 000	306 000
Finansinntekt	11	532 000	132 000
Sum finansinntekter		50 532 000	438 000
Finanskostnad	11	630 000	10 000
Sum finanskostnader		630 000	10 000
Netto finans		49 902 000	428 000
Ordinært resultat før skattekostnad		50 858 000	-8 612 000
Skattekostnad på ordinært resultat	12	810 000	129 000
Ordinært resultat etter skattekostnad		50 048 000	-8 741 000
Årsresultat	19	50 048 000	-8 741 000
Overføringer og disponeringer			
Overføringer annen egenkapital	13	50 048 000	-8 741 000
Sum overføringer og disponeringer		50 048 000	-8 741 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Goodwill	7		2 295 000
Sum immaterielle eiendeler			2 295 000
Finansielle anleggsmidler			
Investering i datterselskap	10	213 513 000	113 393 000
Andre fordringer	6	2 272 000	1 948 000
Sum finansielle anleggsmidler		215 785 000	115 341 000
Sum anleggsmidler		215 785 000	117 636 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	14, 15	12 476 000	5 555 000
Andre fordringer	14, 15	60 091 000	6 803 000
Sum fordringer	16	72 567 000	22 676 000
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	17	2 660 000	2 121 000
Sum omløpsmidler		75 227 000	24 797 000
SUM EIENDELER		291 012 000	142 433 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	13, 18	1 337 000	1 329 000
Overkurs	13	8 492 000	
Annen innskutt egenkapital	5, 13	17 452 000	17 155 000



Balanse

Beløp i: NOK	Note	2022	2021
Sum innskutt egenkapital		27 280 000	18 484 000
Opptjent egenkapital			
Annen egenkapital	13	153 016 000	102 968 000
Sum opptjent egenkapital		153 016 000	102 968 000
Sum egenkapital		180 296 000	121 452 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	12	500 000	429 000
Sum avsetninger for forpliktelser		500 000	429 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		500 000	429 000
Kortsiktig gjeld			
Leverandørgjeld	14, 15	3 015 000	1 183 000
Betalbar skatt	12	0	
Skyldige offentlige avgifter		4 857 000	3 866 000
Annen kortsiktig gjeld	14, 15	18 306 000	15 502 000
Sum kortsiktig gjeld	16	110 216 000	20 552 000
Sum gjeld		110 716 000	20 981 000
SUM EGENKAPITAL OG GJELD		291 012 000	142 433 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 482106

Enheten

Organisasjonsnummer: 918 646 175
Organisasjonsform: Aksjeselskap
Foretaksnavn: ODFJELL PLATFORM DRILLING AS
Forretningsadresse: Kokstadflaten 35
5257 KOKSTAD

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av
årsregnskapet til konsernet: -

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Thomas Pettersen
Dato for fastsettelse av årsregnskapet: 03.05.2023

Grunnlag for avgivelse

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Brønnøysundregistrene, 20.06.2023



Organisasjonsnr: 918 646 175
ODFJELL PLATFORM DRILLING AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Driftsinntekter		83 354 000	67 968 000
Sum inntekter	2, 3	83 354 000	67 968 000
Kostnader			
Lønnskostnad	4, 5, 6,	74 712 000	66 254 000
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Årsresultat	19	50 048 000	-8 741 000
Overføringer og disponeringer			
Overføringer annen egenkapital	13	50 048 000	-8 741 000
Sum overføringer og disponeringer		50 048 000	-8 741 000



Organisasjonsnr: 918 646 175
ODFJELL PLATFORM DRILLING AS

BALANSE

Beløp i: NOK	Note	2022	2021
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BALANSE - EIENDELER

Anleggsmidler

Immaterielle eiendeler

Goodwill	7		2 295 000
Sum immaterielle eiendeler			2 295 000

Finansielle anleggsmidler

Investerings i datterselskap	10	213 513 000	113 393 000
Andre fordringer	6	2 272 000	1 948 000
Sum finansielle anleggsmidler		215 785 000	115 341 000
Sum anleggsmidler		215 785 000	117 636 000

Omløpsmidler

Varer

Fordringer

Kundefordringer	14, 15	12 476 000	5 555 000
Andre fordringer	14, 15	60 091 000	6 803 000
Sum fordringer	16	72 567 000	22 676 000

Bankinnskudd, kontanter og lignende

Sum bankinnskudd, kontanter og lignende	17	2 660 000	2 121 000
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Sum omløpsmidler		75 227 000	24 797 000
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SUM EIENDELER		291 012 000	142 433 000
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BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Aksjekapital	13, 18	1 337 000	1 329 000
Overkurs	13	8 492 000	
Annen innskutt egenkapital	5, 13	17 452 000	17 155 000
Sum innskutt egenkapital		27 280 000	18 484 000

Opptjent egenkapital

Annen egenkapital	13	153 016 000	102 968 000
Sum opptjent egenkapital		153 016 000	102 968 000

Sum egenkapital		180 296 000	121 452 000
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Gjeld



Langsiktig gjeld			
Utsatt skatt	12	500 000	429 000
Sum avsetninger for forpliktelse		500 000	429 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		500 000	429 000
Kortsiktig gjeld			
Leverandørgjeld	14, 15	3 015 000	1 183 000
Betalbar skatt	12	0	
Skyldige offentlige avgifter		4 857 000	3 866 000
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Sum kortsiktig gjeld	16	110 216 000	20 552 000
Sum gjeld		110 716 000	20 981 000
SUM EGENKAPITAL OG GJELD		291 012 000	142 433 000



Organisasjonsnr: 918 646 175
ODFJELL PLATFORM DRILLING AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
18

Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Ordinære aksjer	1337089.00	1.00	1337089.00
<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
Odfjell Technology Ltd	1337089.00	100.00%	Ordinære aksjer
<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	1337089.00	100.00%	

Note
4

Lønn og ytelser

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	48766864000.00	51480581000.00
<u>Arbeidsgiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	8480177000.00	7662471000.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	5517986000.00	4570680000.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	11946539000.00	2540575000.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	74711566000.00	66254307000.00

Ytelser til daglig leder

Note

Ytelser til andre ledende personer

<u>Ledende person</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
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Daglig leder: periode	1720883000.0	103915000.00	1489195000.0
01.01.2022 - 19.10.2022	0		0
Daglig leder: periode	401786000.00	45878000.00	24799000.00
19.10.2022 - 31.12.2022			

<u>Sum ytelse andre led.pers.</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
	2122669000.0	149793000.00	1513994000.0
	0		0

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Note

Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	40000000.00	43400000.00
<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	40000000.00	43400000.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
46.00

Note

10

Konsern, tilknyttet selskap og datterselskap

Tilknyttet selskap/datterselskap

<u>Navn og adresse</u>	<u>Eierandel</u>	<u>Stemmeandel</u>	<u>Egenkapital</u>	<u>Resultat</u>
Odfjell Operations AS	100.00%	100.00%	61503000.00	46375000.00
Odfjell Technology (UK) Ltd	100.00%	100.00%	283636874.00	72482256.00
Odfjell Engineering AS*	100.00%	100.00%	16020679.00	41744595.00
Odfjell Offshore Ltd.*	100.00%	100.00%	-178719000.0	-295491000.0
			0	0

Selskapet har i 2022 inntektsført utbytte fra Odfjell Operations AS med kr 50.000.000. *Det er ikke avdekket indikasjoner på nedskrivning av aksjer i datterselskapene Odfjell Engineering AS og Odfjell Offshore Ltd. Bokført verdi er lavere enn bokført verdi av egenkapitalen i datterselskapene. Odfjell Engineering AS har



positivt resultat i året, og har positive budsjetter og bra ordretilgang i årene fremover, så vi forventer positiv utvikling her, underliggende verdier anses å overstige bokført verdi. Når det gjelder Odfjell Offshore Ltd, er i utgangspunktet driften positiv også her, negative tall skyldes en skattesak (pågående) hvor det er innregnet kostnad på skyldig skatt for årene 2017 til 2021. Selskapet har fått support letter fra ultimate morselskap Odfjell Technology Ltd om at ultimate morselskap skal bistå med midler for å dekke denne kostnaden, slik at selskapet selv ikke har noen eksponering og vi da ikke har noen eksponering inn i Odfjell Platform Drilling AS. Også positive budsjetter og vi forventer positiv utvikling fremover med god drift, underliggende verdier anses å overstige bokført verdi. Virksomheten inngår i konsolideringen til morselskapets konsernregnsk.: Nei

Datterselskap er utelatt fra konsolideringen: Nei

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Skattemessig fremf.undersk.</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Kortsiktig gjeld</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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Odfjell Platform Drilling AS

Årsrapport for 2022

Årsberetning

Årsregnskap

- Resultatregnskap
- Balanse
- Kontantstrømoppstilling
- Noter

Revisjonsberetning



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Odfjell Platform Drilling AS

Årsberetning 2022

Odfjell Platform Drilling AS

Adresse: Kokstadflaten 35, 5257 Kokstad

Org.nr: 918 646 175 MVA

Virksomhetens art

Odfjell Platform Drilling AS er lokalisert i Bergen. Selskapet inngår i konsernet Odfjell Technology Ltd som driver internasjonal virksomhet innenfor plattformboring, vedlikehold og ingeniørtjenester.

Odfjell Platform Drilling AS yter tjenester innenfor forretningsstøtte, konsulentvirksomhet og er juridisk ansettelsesselskap for landansatte tilknyttet hovedsakelig plattformboring.

Forventet markedsutvikling

Odfjell Technology Ltd konsernet har gjennomført og iverksatt flere kostnadsreducerende tiltak og effektiviseringsprogram for å effektivisere drift og redusere kostnader så mye som mulig. Selskapet vil også fremover fokusere på effektivisering av drift og å redusere kostnader.

Oljeservicemarkedet har utviklet seg positivt de siste årene på grunn av en sterk fokus på kostnadsdisiplin og mer effektive operasjoner, kombinert med en sunnere oljeprisutvikling. Overgangen til grønnere energikilder forventes å påvirke markedet i de kommende tiårene, men behov for fortsatt leting og produksjon av olje og gass anses som viktig, og det har blitt mer tydelig i det siste, med uroen i Europa og krigen i Ukraina.

Den generelle situasjonen for den globale oljeserviceindustrien forventes å forbedre seg som et resultat av underinvestering i olje- og gasssektoren de siste 8 årene. Tilførselen av olje og gass er for lav til å møte forventet etterspørsel. Økning i investeringer og aktivitet er avgjørende for å møte det økende energibehovet samtidig som nye energikilder tar tid å implementere.

Markedet for våre boreoperasjoner og tjenester knyttet til boring har vært stabile det siste tiår. Vi har etablert en sterk tilstedeværelse i Nordsjøen med effektiv drift og sterke kunderelasjoner, som vi forventer å utnytte ytterligere. I tillegg er det muligheter for å utvide aktiviteter til andre regioner. Ingeniørmarkedet er i bedring i eksisterende leveranser og i grønne initiativer. Vi er godt posisjonert for å vokse i eksisterende tjenester og ytterligere utvide vår portefølje av grønne tjenester.

Det vil alltid knyttes usikkerhet til vurdering av fremtidige markedsforhold. Det settes sterkt fokus på å sikre høy kvalitet og sikkerhet i de tjenestene som utføres for selskapets kunder.

Aktuell ordresreserve og ingen signaler fra kunde om bruk av force majeure klausuler, gjør sitt til at selskapet i begrenset grad vurderes eksponert for bortfall av inntekter. Selskapet vil jobbe aktivt for å opprettholde omsetning i årene fremover. Det presiseres at det alltid vil være knyttet usikkerhet til fremtidig utvikling.

Styret mener at det fremlagte årsregnskapet gir et rettviseende bilde over utviklingen og resultatet av foretakets virksomhet og stilling.

Fortsatt drift

Årsberetningen og fremlagte årsregnskap for Odfjell Platform Drilling AS er utarbeidet under forutsetning om fortsatt drift.

I samsvar med regnskapsloven § 3-3a bekreftes det at forutsetningene om fortsatt drift er til stede. Det er etter styrets vurdering ikke knyttet usikkerhet til den fortsatte driften av selskapet.



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Odfjell Platform Drilling AS

Resultat, investeringer, finansiering og likviditet

Årsresultatet for Odfjell Platform Drilling AS viser et overskudd på MNOK 50,0 for 2022 sammenlignet med et underskudd på MNOK 8,7 i 2021. Driftsresultatet for 2022 viser et overskudd på TNOK 957 som mot underskudd på MNOK 9,0 i 2021. Overskuddet skyldes i all hovedsak inntektsført utbytte fra datterselskap.

Ved utgangen av 2022 hadde selskapet en totalkapital på MNOK 291,0 (MNOK 142,4 i 2021). Egenkapitalen er på MNOK 180,3 med en egenkapitalandel 61,9 % pr 31.12.2022. For 2021 var egenkapitalen på MNOK 121,4 med egenkapitalandel 85,3 %. Reduksjon i 2022 i egenkapitalandel skyldes hovedsakelig stort trekk på konsernkonto.

Selskapets kortsiktige gjeld ved utgangen av 2022 var MNOK 110,2 mot MNOK 20,6 i 2021. I hovedsak skyldes økningen stort trekk på konsernkonto.

Samlet kontantstrøm fra operasjonelle aktiviteter for selskapet i 2022 var negativ med MNOK 5,1 mot MNOK 8,3 i 2021. Avvik mot driftsresultat skyldes hovedsakelig avskrivninger og endring i konsernmellomværende. Kontantstrøm fra investeringsaktiviteter var i 2022 negativ med MNOK 89,0 tilsvarende MNOK 0,0 for 2021. Kontantstrøm fra finansieringsaktiviteter var i 2022 positiv med MNOK 94,6 mot negativ MNOK 8,1 i 2021.

Datterselskaper leverte positive resultater for 2022, med unntak av Odfjell Offshore Ltd, som viser underskudd på grunn av skattesak, som er oppgjort i datters disfavør. Det er dog avtale i konsernet at toppselskap Odfjell Technology Ltd skal bidra med midler til kostnad knyttet til skattesak.

Selskapets finansielle stilling anses som tilfredsstillende pr 31.12.2022. Styret er ikke kjent med at det har inntrådt forhold etter regnskapsårets slutt som er av betydning for bedømmelsen av selskapets og selskapets stilling, annet enn det som er omtalt under avsnittet «Forventet markedsutvikling».

Finansiell risiko

Markedsrisiko

Selskapet vurderes til å ha en begrenset valutarisiko da størsteparten av både inntekter og kostnader er i NOK. Risiko er knyttet til endringer i valutakursene på den delen av selskapets fordringer som er i utenlandsk valuta (GBP) samt valuta regulering av bankkonti. Selskapet har således en naturlig sikring, som tilsier at det ikke foreligger noen vesentlig driftstilknyttet markedsrisiko.

Kredittrisiko

Selskapet leverer tjenester til offshore olje- og gassindustri og virksomhetens kunder består i hovedsak av interne konsernselskaper, hvor kredittrisiko er indirekte knyttet til konsernselskapenes kunder. I all hovedsak er disse kundene store oljeselskaper med tilfredsstillende likviditet. Selv om markedsutsiktene i bransjen ikke er på et historisk godt nivå, vurderes ikke dette å være en faktor som påvirker kredittrisiko på kort og mellomlang sikt. Kredittrisiko vurderes dermed å være lav.

Likviditetsrisiko

Selskapet har likviditetsrisiko knyttet til eventuelt bortfall av inntekter. Siden kunder i hovedsak består av interne konsernselskaper reflekteres risikoen fra Odfjell Technology Ltd - konsernet og nærstående konsern Odfjell Drilling Ltd inn i selskapet.



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Odfjell Platform Drilling AS

Arbeidsmiljø

Selskapets visjon, verdier, bedriftskultur og krav til ledere er beskrevet i konsernets styrende dokumentasjon. Dokumentene skal fremstå som et grunnleggende felleseie for alle ansatte - ledere som medarbeidere - i selskapet og gi alle medarbeidere den identitet og det verdigrunnlag som skal kjennetegne Odfjell Platform Drilling AS.

Arbeidsmiljø og personale utgjør viktige deler av konsernets bærekraftstrategi. En inngående beskrivelse av prosedyrer, målsetninger og tilhørende måltall for oppnåelse kan finnes i bærekraftrapportene som er gjort offentlig tilgjengelige på konsernets nettside: www.odfjelltechnology.com.

Selskapets ansatte er onshore personell som leder og støtter offshore operasjoner, og krever høy kompetanse innen drift og vedlikehold av bore operasjoner, ledelse, samt helse, miljø og sikkerhet. Virksomheten tilbyr kompetansehevende opplæring for å sikre kontinuerlig oppdatering av kunnskap, kompetanseheving og karriereutvikling for ansatte.

Antall ansatte ved utgangen av 2022 var 46 mot 41 i 2021, med en turnover på 6,98 % i 2022.

Sykefravær

Totalt sykefravær for Odfjell Platform Drilling AS i 2022 var på 2 %. Oppfølging og forebygging av sykefraværet har hatt høy fokus i 2022 og særlig i forhold til Covid-19. Det var 0,4 % sykefravær relatert til Covid-19 i 2022. Konsernet har etablert bedriftshelsetjeneste og selskapet følger opp sykemeldt personell etter de prinsipper som ligger til grunn for et inkluderende arbeidsliv. I tillegg har alle våre ansatte helseforsikring som tilbyr både forebyggende og konsekvensreducerende helsetiltak.

Det er i konsernet etablert både verneombud og arbeidsmiljøutvalg med tilrettelagt opplæring for de valgte personer. Videre har konsernet eget sosial- og attføringsutvalg og AKAN utvalg.

Arbeidsmiljø:

Arbeidsmiljøet i Odfjell Platform Drilling AS anses for å være bra, noe som avdekkes gjennom årlige organisasjon- og arbeidsmiljøundersøkelser for ansatte i selskapet. Gjennom undersøkelsene får selskapet verdifull informasjon om hvordan ansatte opplever arbeidsoppgaver, arbeidsprosesser, arbeidsmengde, sosialt samspill og ledelse. Den gir også informasjon om hva som krever ytterlig fokus og virkninger av forbedringstiltak. Det er et viktig verktøy for å fremme og videreutvikle et godt arbeidsmiljø. I 2021 har de ansatte i perioder jobbet fra hjemmekontor, noe som potensielt kan gi risiko for både lavere trivsel og ergonomiske utfordringer. Tiltak for å motvirke dette, som tett ledelsesoppfølging, informasjon om forebygging av potensiell risiko og trivselstiltak via teams ble iverksatt og resultatet på arbeidsmiljøundersøkelsen for landansatte for 2022 viste høy score på alle faktorer.

Helse, miljø og sikkerhet

Selskapets HMS policy er å opprettholde den høyeste sikkerhetsstandard og beskytte helsen til våre arbeidstakere. Selskapet skal arbeide for å redusere negative effekter for ytre miljø og en bærekraftig utvikling.

Odfjell Technology arbeider kontinuerlig for forbedringsprosesser innenfor helse, miljø og sikkerhet (KHMS) for å forhindre situasjoner som kan få uønskede konsekvenser, og på denne måten oppnå målsetningen om å beskytte våre arbeidstakeres helse. Odfjell Platform Drilling AS har ikke hatt arbeidsrelaterte skader siste år.

Ytre miljø og miljørapportering

Selskapet HMS Policy og selskapets styringssystem for miljø, basert på ISO 14000, definerer krav og forventninger for å unngå negativ påvirkning av miljøet. Samtlige forretningsområder i Odfjell Technology er sertifisert til ISO-14001. Odfjell Technology jobber også aktivt med bærekraft og ESG-rapportering på konsernnivå. Det vises til årlig ESG rapport og årsrapport for konsernet i denne sammenheng.

Selskapets virksomhet forurenser ikke det ytre miljø.



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Odfjell Platform Drilling AS

Likestilling og diskriminering

Redegjørelse i henhold til Likestillings- og diskrimineringsloven §26 er tilgjengelig på Odfjell Technology's offentlige webside; www.odfjelltechnology.com.

I Odfjell Platform Drilling AS var kvinneandelen 24 % ved utgangen av 2022, mot 29 % i utgangen av 2021. Selskapet arbeider aktivt for å forhindre diskriminering som følge av nedsatt funksjonsevne, etnisitet, nasjonal opprinnelse, hudfarge, religion eller livssyn.

Som et ledd i selskapets "Human Right Policy" er det også vedtatt forbud mot alle former for tvangsarbeid eller barnarbeid. All Odfjell Technology's aktivitet skal være i samsvar med internasjonalt anerkjente arbeidsstandarder innenfor områder som lønn, arbeidstid, disiplinære metoder, arbeidsavtaler og arbeidsforhold. Tilsvarende krav skal også håndheves gjennom kontrakter med leverandører, samarbeidspartnere, agenter etc.

Konsernet jobber med å ferdigstille «Human rights policy» i henhold til ikrafttredelse av den nye Åpenhetsloven av 1. juli 2022, som vil være klar innen 30. juni 2023 og vil da være tilgjengelig på Odfjell Technology's offentlige webside; www.odfjelltechnology.com.

Styreansvarsforsikring

Det er tegnet forsikring på konsernnivå for styrets medlemmer og daglig leder for deres mulige ansvar overfor selskapet og tredjepersoner. Forsikringen er begrenset til MNOK 75 per år og per hendelse.

Bergen, 24. april 2023
Styret for Odfjell Platform Drilling AS

Simen Lieungh

Simen Lieungh
Styreleder

Kurt Meinert Fjell

Kurt Meinert Fjell
Daglig leder

Harald Hereid

Harald Asle Hereid
Styremedlem

Frederik Glenjen

Frederik Glenjen
Styremedlem

Kurt Werner Holsæter

Kurt Werner Holsæter
Styremedlem

Jone Tørstensen

Jone Tørstensen
Styremedlem



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Odfjell Platform Drilling AS

Resultatregnskap

Beløp vises i tusen kr

	Note	2022	2021
Driftsinntekter			
Driftsinntekter	2, 3	83 354	67 968
Driftskostnader			
Lønnskostnad	4, 5, 6, 9	74 712	66 254
Avskrivning	7	2 295	9 180
Annen driftskostnad	8, 9	5 391	1 574
Sum driftskostnader		<u>82 397</u>	<u>77 008</u>
Driftsresultat		<u>957</u>	<u>-9 040</u>
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap	10	50 000	306
Finansinntekt	11	532	132
Finanskostnad	11	630	10
Netto finansposter		<u>49 902</u>	<u>428</u>
Ordinært resultat før skattekostnad		<u>50 858</u>	<u>-8 612</u>
Skattekostnad på ordinært resultat	12	<u>810</u>	<u>129</u>
Årsresultat		<u>50 048</u>	<u>-8 741</u>
Overføringer og disponeringer			
Overføringer annen egenkapital	13	50 048	-8 741



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Odfjell Platform Drilling AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2022	2021
Anleggsmidler			
<i>Immaterielle eiendeler</i>			
Goodwill	7	0	2 295
<i>Finansielle anleggsmidler</i>			
Investeringer i datterselskap	10	213 513	113 393
Pensjonsmidler	6	2 272	1 948
Sum finansielle anleggsmidler		<u>215 785</u>	<u>115 341</u>
Sum anleggsmidler		<u>215 785</u>	<u>117 636</u>
Omløpsmidler			
<i>Fordringer</i>			
Kundefordringer	14, 15	12 476	5 555
Fordring konsernkontoordning	16	0	10 317
Andre fordringer	14, 15	60 091	6 803
Sum fordringer		<u>72 567</u>	<u>22 676</u>
Bankinnskudd, kontanter og lignende	17	<u>2 660</u>	<u>2 121</u>
Sum omløpsmidler		<u>75 227</u>	<u>24 797</u>
Sum eiendeler		<u>291 012</u>	<u>142 433</u>



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Odfjell Platform Drilling AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2022	2021
Egenkapital			
<i>Innskutt egenkapital</i>			
Aksjekapital	13, 18	1 337	1 329
Overkurs	13	8 492	0
Annen innskutt egenkapital	5, 13	17 452	17 155
Sum innskutt egenkapital		27 280	18 484
<i>Opptjent egenkapital</i>			
Annen egenkapital	13	153 016	102 968
Sum egenkapital		180 296	121 452
Gjeld			
<i>Avsetninger for forpliktelser</i>			
Utsatt skatt	12	500	429
<i>Kortsiktig gjeld</i>			
Leverandørgjeld	14, 15	3 015	1 183
Betalbar skatt	12	0	0
Skyldige offentlige avgifter		4 857	3 866
Gjeld konsernkontoordning	16	84 038	0
Annen kortsiktig gjeld	14, 15	18 306	15 502
Sum kortsiktig gjeld		110 216	20 552
Sum gjeld		110 716	20 981
Sum egenkapital og gjeld		291 012	142 433

Bergen, 24. april 2023

Simen Lieungh

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Styreleder

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Daglig leder

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Odfjell Platform Drilling AS

Kontantstrømoppstilling

Beløp vises i tusen kr

	Note	2022	2021
Kontantstrømmer fra operasjonelle aktiviteter			
Resultat før skattekostnad		50 858	-8 612
Resultatandel i datterselskap/tilknyttet selskap		-50 000	-306
Ordinære avskrivninger	6	2 295	9 180
Endring i varelager, kundefordringer og leverandørgjeld		-5 089	507
Forskjeller i pensjonsmidler/-forpliktelser		-324	-588
Endring i andre tidsavgrensningposter		-3 294	642
Endring i kortsiktige konsernmellomværende ekskl. konsernbidrag		136	7 446
Kostnad aksjeopsjonsprogram	5	296	0
Netto kontantstrøm fra operasjonelle aktiviteter		-5 121	8 270
Kontantstrømmer fra investeringsaktiviteter			
Utbetalinger ved kjøp av aksjer og andeler i andre foretak	9	-89 000	0
Netto kontantstrøm fra investeringsaktiviteter		-89 000	0
Kontantstrømmer fra finansieringsaktiviteter			
Inn-/utbetalinger av konsernbidrag		306	656
Netto endring fordring / gjeld konsernkontoordning	15	94 355	-8 816
Netto kontantstrøm fra finansieringsaktiviteter		94 660	-8 160
Netto endring i likvider i året		539	110
Kontanter og bankinnskudd per 01.01		2 121	2 011
Kontanter og bankinnskudd per. 31.12		2 660	2 121



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Odfjell Platform Drilling AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 1 - Regnskapsprinsipper

Selskapet ble stiftet 16. februar 2017 og driver virksomhet innenfor platformboring, i hovedsak for selskaper i Odfjell Drilling konsern.

Årsregnskapet består av resultatregnskap, balanse, noteopplysninger, kontantstrømoppstilling og er avlagt i samsvar med regnskapslov og god regnskapsskikk i Norge. Norske kroner benyttes som funksjonell og rapporterings valuta i regnskapet.

Odfjell Platform Drilling AS er morselskap og konsernspiss i Odfjell Platform Drilling AS-konsernet. Konsernet utgjør en del av Odfjell Technology Ltd-konsernet, og har forretningsaktivitet i Norge. Selskapet fikk i 2018 fritak for å utarbeide konsernregnskap siden selskapets ultimate morselskap Odfjell Technology Ltd., som har forretningskontor i Aberdeen, Scotland, United Kingdom, er børsnotert.

Konsernregnskapet er tilgjengelig på selskapets hjemmeside www.odfjelltechnology.com.

Salgsinntekter

Selskapets tjenester inntektsføres etter hvert som de leveres.

Aksjeopsjoner

Konsernet har aksjeopsjonsprogrammer for selskapets ledelse. Programmene måles til virkelig verdi på tildelingsdatoen. Opsjonsprogrammet for selskapets øverste ledelse er en ordning med oppgjør i aksjer. Virkelig verdi av tildelte opsjoner periodiseres over den periode de ansatte innviner rett til å motta opsjonene, hvilket vil si over den avtalte fremtidige tjenestetiden.

Kostnaden ved aksjebaserte transaksjoner med ansatte innregnes som en kostnad over gjennomsnittlig innvinningsperiode. For transaksjoner som gjøres opp i selskapets egenkapitalinstrumenter (ordninger med oppgjør i aksjer) regnskapsføres verdien av de tildelte opsjonene i perioden som en lønnskostnad i resultatet og med motpost annen innskutt egenkapital.

Arbeidsgiveravgift på opsjoner betalinger innregnes i resultatet over forventet opptjeningsperiode.

Datterselskap

Datterselskapet vurderes etter kostmetoden i selskapsregnskapet. Investeringen er vurdert til anskaffelseskost for aksjene med mindre nedskrivning har vært nødvendig. Det er foretatt nedskrivning til virkelig verdi når verdifall skyldes årsaker som ikke kan antas å være forbigående og det må anses nødvendig etter god regnskapsskikk. Nedskrivninger er reversert når grunnlaget for nedskrivning ikke lenger er til stede.

Utbytte og andre utdelinger er inntektsført samme år som det er avsatt i datterselskapet. Overstiger utbytte andel av tilbakeholdt resultat etter kjøpet, representerer den overskytende del tilbakebetaling av investert kapital, og utdelingene er fratrukket investeringens verdi i balansen.



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Odfjell Platform Drilling AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Klassifisering og vurdering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter balansedagen, samt poster som knytter seg til varekretsløpet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Anleggsmidler med begrenset økonomisk levetid avskrives planmessig. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Fordringer

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene. I tillegg gjøres det for øvrige kundefordringer en uspesifisert avsetning for å dekke antatt tap.

Valuta

Pengeposter i utenlandsk valuta er vurdert til kursen ved regnskapsårets slutt.

Immaterielle eiendeler

Immaterielle eiendeler som er kjøpt separat måles ved førstegangs innregning til kost. I senere perioder regnskapsføres immaterielle eiendeler til kost fratrukket akkumulerte av- og nedskrivninger.

Internt genererte immaterielle eiendeler, med unntak av utviklingskostnader som er innregnet i oppstilling av finansiell stilling, kostnadsføres løpende.

Immaterielle eiendeler med bestemt levetid avskrives over utnyttbar levetid. Utnyttbar levetid og avskrivningsmetode for immaterielle eiendeler med bestemt levetid vurderes minst én gang i året. Lineære avskrivninger brukes for de fleste immaterielle eiendeler da dette best reflekterer forbruket av eiendelene. Gevinst eller tap ved avgang av immaterielle eiendeler beregnes som differansen mellom netto salgsinntekt og eiendelens regnskapsførte verdi, og rapporteres som inntekter og kostnader på separate linjer i resultatregnskapet.

Pensjoner

Pensjonskostnader og pensjonsforpliktelser beregnes etter lineær opptjening basert på forventet sluttlønn. Beregningen er basert på en rekke forutsetninger herunder diskonteringsrente, fremtidig regulering av lønn, pensjoner og ytelser fra folketrygden, fremtidig avkastning på pensjonsmidler samt aktuarmessige forutsetninger om dødelighet og frivillig avgang. Pensjonsmidler er vurdert til virkelig verdi og fratrukket i netto pensjonsforpliktelser i balansen. Endringer i forpliktelsen som skyldes endringer i pensjonsplaner fordeles over antatt gjenværende opptjeningstid. Endringer i forpliktelsen og pensjonsmidlene som skyldes endringer i og avvik i beregningsforutsetningene (estimatendringer) fordeles over antatt gjennomsnittlig gjenværende opptjeningstid hvis avvikene ved årets begynnelse overstiger 10 % av det største av brutto pensjonsforpliktelser og pensjonsmidler.

Skatter

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet og nettoført. Netto utsatt skattefordel balanseføres i den grad det er sannsynlig at denne kan bli nyttiggjort.



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Odfjell Platform Drilling AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Bruk av estimer

Ledelsen har brukt estimer og forutsetninger som har påvirket resultatregnskapet og verdsettelsen av eiendeler og gjeld, samt usikre eiendeler og forpliktelser på balansedagen under utarbeidelsen av årsregnskapet i henhold til god regnskapsskikk.

Kontantstrømoppstilling

Kontantstrømoppstillingen er utarbeidet etter den indirekte metode. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd, fordring konsernkontoordning og andre kortsiktige, likvide plasseringer.

Note 2 - Salgsinntekter

Beløp vises i tusen kr

	2022	2021
<i>Pr. virksomhetsområde</i>		
Teknisk management Norge	75 562	57 957
Teknisk management UK	7 792	10 011
	<u>83 354</u>	<u>67 968</u>

Selskapets driftsinntekter er i hovedsak knyttet til tekniske og administrative tjenester utført for datterselskap i Norge og UK.

Note 3 - Nærstående transaksjoner - inntekt fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser.

Beskrivelse nærstående part	Type transaksjon	2022	2021
OT Ltd Group - konsernselskap	Teknisk management Norge	75 562	57 975
OT Ltd Group - konsernselskap	Teknisk management UK	7 792	10 011
OT Ltd Group - konsernselskap	Inntektsført konsernbidrag	0	306
OD Ltd Group - nærstående part	Garantiprovisjon	0	82
Sum		<u>83 354</u>	<u>68 374</u>

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).



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Odfjell Platform Drilling AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 4 - Lønnskostnader, antall ansatte, lån til ansatte og godtgjørelse til revisor

Beløp vises i tusen kr

Lønnskostnader	2022	2021
Lønninger	48 767	51 481
Arbeidsgiveravgift	8 480	7 662
Pensjonskostnader, se også note 6	5 518	4 571
Andre ytelser	2 987	1 776
Kostnad aksjeopsjonsprogram, se note 5	296	0
Innleie av personell	8 663	764
Sum	74 712	66 254

Selskapet har i regnskapsåret sysselsatt totalt 46 årsverk.

Ytelser til ledende personer

	Lønn	Pensjonsutgifter	Andre godtgjørelser
Daglig leder: periode 01.01.2022 - 19.10.2022	1 721	104	1 489
Daglig leder: periode 19.10.2022 - 31.12.2022	402	46	25
Total ytelse	2 123	150	1 514

Andre godtgjørelser består av henholdsvis MNOK 1,4 i bonus, og TNOK 114 i forsikringer, firmabil/bilgodtgjørelse, telefon/it, fri avis, fordel ledsager på reise og andre naturalytelser.

Det er ikke utbetalt styrehonorar eller ytet lån eller stilt garantier til daglig leder, styreleder eller andre nærstående parter.

Godtgjørelse til revisor er fordelt på følgende:	2022	2021
Lovpålagt revisjon	40	43

Merverdiavgift er ikke inkludert i revisjonshonoraret.



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Odfjell Platform Drilling AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 5 - Aksjebasert betaling

Beløp vises i tusen kr

Konsernet har aksjeopsjonsprogrammer for selskapets ledelse. Programmene måles til virkelig verdi på tildelingsdatoen. Opsjonsprogrammet for selskapets verste ledelse er en ordning med oppgjør i aksjer. Virkelig verdi av tildelte opsjoner periodiseres over den periode de ansatte innviner rett til å motta opsjonene, hvilket vil si over den avtalte fremtidige tjenestetiden.

Kostnaden ved aksjebaserte transaksjoner med ansatte innregnes som en kostnad over gjennomsnittlig innvinningsperiode. For transaksjoner som gjøres opp i selskapets egenkapitalinstrumenter (ordninger med oppgjør i aksjer) regnskapsføres verdien av de tildelte opsjonene i perioden som en innskostnad i resultatet og med motpost annen innskutt egenkapital.

Arbeidsgiveravgift på opsjonene innregnes i resultatet over forventet opptjeningsperiode.

Detaljer vedrørende aksjeopsjonsprogrammet:

15. august 2022 implementerte selskapet en langsiktig incentiv plan for ledende ansatte. Totalt 240 000 aksjeopsjoner har blitt tildelt ledende ansatte i selskapet med en innløsningspris på NOK 24,11 per aksjeopsjon.

Aksjeopsjonene kan bare bli utøvd i 3 like deler, i år 2, 3 og 4 etter utstedelsesdato. Aksjeopsjonene kan bli utøvd i etterfølgende år. Aksjeopsjoner som ikke er utøvd i de første 2 årene etter utstedelsesdato kan bli rullert frem til neste år. Aksjeopsjoner som ikke er utøvd innen sluttperioden som er 3. kvartal i 2025, vil bli slettet.

Oversikt utestående aksjeopsjoner	2022	2021
Utestående opsjoner 1.1	0	0
Tildelte opsjoner	240	0
Tapte opsjoner	0	0
Utøvd opsjoner	0	0
Utgåtte opsjoner	0	0
Utestående opsjoner 31.12	240	0

Virkelig verdi på opsjonene er estimert ved hjelp av Black and Scholes opsjonsprisermodell. Gjennomsnittlig virkelig verdi av tildelte opsjoner i 2022 er NOK 9,80. Total kostnad på aksjeopsjonsprogrammet er beregnet ved bruk av virkelig verdi per opsjon (NOK 9,80 / pr opsjon) multiplisert med antall opsjoner (240 000). Total kostnad tilsvarer omtrent NOK 2,3 mill. og kostnadsføres over opsjonens levetid, forventet frem til august 2025. Kostnadsført knyttet til aksjeopsjoner i 2022 er TNOK 296, se for øvrig note 4.

Følgende forutsetninger er lagt til grunn for beregningen:

Aksjekurs på tildelingstidspunkt

Aksjeprisen er satt lik børskursen på tildelingstidspunktet.

Innløsningskurs pr. opsjon

Innløsningsprisen er NOK 24,11 per opsjon.

Volatilitet

Det er forutsatt at historisk volatilitet er en indikasjon på fremtidig volatilitet.

Forventet volatilitet er derfor satt lik historisk volatilitet som tilsvarer en



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Odfjell Platform Drilling AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

volatilitet på 55 %.

Opsjonens levetid

Opsjonens forventede løpetid er 3 år.

Utbytte

Forventet utbytte per aksje er NOK 0 pr. år.

Risikofri rente

Risikofri rente som er lagt til grunn for beregning av opsjoner er på 3,67 % for 2022.



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Note 6 - Pensjoner

Beløp vises i tusen kr

Selskapet er pliktig til å ha tjenstepensjonsordning etter lov om obligatorisk tjenstepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne lov.

Selskapet har en kollektiv innskuddsbasert ordning med sparedel og tilhørende risikodekning av uføre-, ektefelle- og barnepensjon. Denne ordningen omfatter 45 personer pr. 31.12.2022 (38 personer pr. 31.12.2021).

Selskapet har i tillegg en lukket kollektiv ytelsesbasert pensjonsordning som omfatter 2 aktive. Ordningen er forsikret i porteføljen til DNB Liv ASA. Ordningen gir rett til definerte fremtidige ytelser. Disse er i hovedsak avhengig av antall opptjeningsår, lønnsnivå ved oppnådd pensjonsalder og størrelsen på ytelsene fra folketrygden. I tilknytning til ytelsesordningen har selskapet risikodekning av uføre-, ektefelle- og barnepensjon.

Selskapet er medlem av den nye AFP-ordningen. AFP-ordningen er en ordning som gir livslangt tillegg på den ordinære pensjonen. De ansatte kan velge å ta ut den nye AFP-ordningen fra og med fylte 62 år. Den nye AFP-ordningen er en ytelsesbasert flerforetakspensjonsordning og finansieres gjennom premier som fastsettes som en prosent av lønn. Foreløpig foreligger ingen pålitelig måling og allokering av forpliktelse og midler i ordningen. Regnskapsmessig blir ordningen behandlet som en innskuddsbasert pensjonsordning hvor premiebetalingen kostnadsføres løpende, og ingen avsetning foretas i regnskapet.

I 2022 utgjorde premien 2,6 % av lønn mellom 1G og 7,1G. Premiesatsen for 2022 vil være uendret.

Selskapet har et pensjonsløfte overfor de ansatte på inntil 1G årlig i perioden 62-67 år ved fratredelse av stilling, forutsatt at de tilfredsstiller kravene til å motta ny AFP. Sannsynligheten for uttak er så lav at forpliktelsen ikke er balanseført. Ved faktisk uttak av gavepensjon blir totalkostnad kostnadsført umiddelbart.

	2022	2021
Nåverdi av årets pensjonsopptjening	601	406
Rentekostnad av pensjonsforpliktelsen	207	128
Avkastning på pensjonsmidler	-311	-174
Arbeidsgiveravgift	93	67
Administrasjonskostnader	161	115
Resultatført estimatavvik	382	288
Netto pensjonskostnad ytelsesordning	1 133	830
Kostnad innskuddspensjon inkludert risikodekning	3 742	3 164
Kostnad flerforetaksordning bokført som innskuddsbasert (AFP)	645	577
Netto pensjonskostnad ytelsesordning	5 518	4 571



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	2022	2021
Opptjente pensjonsforpliktelser	14 375	13 770
Beregnete pensjonsforpliktelser	14 375	13 770
Pensjonsmidler (til markedsverdi)	11 385	10 905
Ikke resultatført virkning av estimatavvik	-5 684	-5 217
Arbeidsgiveravgift	422	404
Netto balanseført pensjonsforpliktelse (+)/-midler (-)	-2 272	-1 948

Økonomiske forutsetninger:

	2022	2021
Diskonteringsrente	3,20%	1,50%
Forventet lønnsregulering	3,75%	2,50%
Forventet avkastning på fondsmidler	4,90%	2,90%
Forventet pensjonsøkning	1,70%	0,00%
Forventet G-regulering	3,50%	2,25%

De aktuariemessige forutsetningene er basert på vanlige benyttede forutsetninger innen forsikring når det gjelder demografiske faktorer.

Note 7 - Immaterielle eiendeler

Beløp vises i tusen kr

	Goodwill
Anskaffelseskost pr 01.01.2022	121 632
Anskaffelseskost 31.12.2022	121 632
Akk.avskrivninger 31.12.2022	-121 632
Balanseført verdi pr.31.12.2022	0

Årets avskrivninger 2 295

Avskrivningsplan Lineær
Økonomisk levetid 20 år

Note 8 - Driftskostnader

Beløp vises i tusen kr

	2022	2021
Innleide tjenester	785	82
Kurs og reisekostnader	2 302	719
Annen driftskostnad	2 304	773
Sum	5 391	1 574



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Odfjell Platform Drilling AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 9 - Nærstående transaksjoner - kjøp/kostnad fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser.

Beskrivelse nærstående part	Type transaksjon	2022	2021
OT Ltd Group - konsernselskap	Innleide personelltjenester	4 984	1 923
OD Ltd Group - nærstående part	Innleide personelltjenester	43	210
Sum		5 028	2 133

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).

Note 10 - Datterselskap m v

Beløp vises i tusen kr

Selskap	Kontor	Eier- andel	Stemme- andel	Resultat 2022	Egenkapital pr. 31.12	Bokført verdi pr. 31.12
Odfjell Operations AS	Bergen	100 %	100 %	46 375	61 503	52 943
Odfjell Technology (UK) Ltd	Aberdeen (UK)	100 %	100 %	72 482	283 637	60 450
Odfjell Engineering AS*	Bergen	100 %	100 %	41 745	16 021	89 000
Odfjell Offshore Ltd.*	Bergen	100 %	100 %	-295 491	-178 719	11 120
Sum				-134 889	182 442	213 513

Selskapet har i 2022 inntektsført utbytte fra Odfjell Operations AS med kr 50.000.000.

*Det er ikke avdekket indikasjoner på nedskrivning av aksjer i datterselskapene Odfjell Engineering AS og Odfjell Offshore Ltd. Bokført verdi er lavere enn bokført verdi av egenkapitalen i datterselskapene. Odfjell Engineering AS har positivt resultat i året, og har positive budsjetter og bra ordretilgang i årene fremover, så vi forventer positiv utvikling her, underliggende verdier anses å overstige bokført verdi. Når det gjelder Odfjell Offshore Ltd, er i utgangspunktet driften positiv også her, negative tall skyldes en skattesak (pågående) hvor det er innregnet kostnad på skyldig skatt for årene 2017 til 2021. Selskapet har fått support letter fra ultimate morselskap Odfjell Technology Ltd om at ultimate morselskap skal bistå med midler for å dekke denne kostnaden, slik at selskapet selv ikke har noen eksponering og vi da ikke har noen eksponering inn i Odfjell Platform Drilling AS. Også positive budsjetter og vi forventer positiv utvikling fremover med god drift, underliggende verdier anses å overstige bokført verdi.



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Odfjell Platform Drilling AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 11 - Finansinntekter og -kostnader

Beløp vises i tusen kr

Finansinntekter

	2022	2021
Renteinntekter	46	1
Netto valutagevinst	34	49
Andre finansinntekter	453	82
Sum finansinntekter	532	132

Finanskostnader

	2022	2021
Rentekostnader	-617	-10
Andre finanskostnader	-14	0
Sum finanskostnader	-630	-10



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Odfjell Platform Drilling AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 12 - Skatt

Beløp vises i tusen kr

<i>Årets skattekostnad fordeler seg på:</i>	2022	2021
Betalbar skatt	739	0
Endring utsatt skatt	71	129
Årets totale skattekostnad	<u>810</u>	<u>129</u>
<i>Beregning av årets skattegrunnlag:</i>	2022	2021
Ordinært resultat før skattekostnad	50 858	-8 612
Permanente forskjeller	2 827	9 197
Tilbakeføring av inntektsført utbytte	-50 000	0
Resultatført konsernbidrag	0	-306
Endring i midlertidige forskjeller	<u>-324</u>	<u>-588</u>
Alminnelig inntekt	3 361	-308
Anvendt fremførbart underskudd	-2	0
Mottatt konsernbidrag	0	306
Ytet konsernbidrag	<u>-3 358</u>	<u>0</u>
Årets skattegrunnlag	<u>0</u>	<u>-2</u>
Betalbar skatt (22%) av årets skattegrunnlag	0	0
<i>Oversikt over midlertidige forskjeller</i>	2022	2021
Netto pensjonsmidler	<u>2 272</u>	<u>1 948</u>
Sum	<u>2 272</u>	<u>1 948</u>
Akkumulert fremførbart underskudd før konsernbidrag	<u>0</u>	<u>-2</u>
Netto midlertidige forskjeller pr 31.12	<u>2 272</u>	<u>1 946</u>
Forskjeller som ikke inngår i utsatt skatt/-skattefordel	<u>0</u>	<u>-2</u>
Sum	<u>2 272</u>	<u>1 948</u>
Utsatt skattefordel/Utsatt skatt (22%)	500	429
<i>Oversikt over permanente forskjeller</i>	2022	2021
Ikke fradragsberettigede representasjonskostnader	219	17
Andre ikke fradragsberettigede kostnader	<u>2 608</u>	<u>9 180</u>
Sum permanente forskjeller	<u>2 827</u>	<u>9 197</u>
<i>Forklaring til hvorfor årets skattekostnad ikke utgjør 22% av resultat før skatt</i>	2022	
22% skatt av resultat før skatt	11 189	
Permanente forskjeller (22%)	<u>-10 378</u>	
Beregnet skattekostnad	<u>811</u>	
Effektiv skattesats *)	1,6 %	

*) Skattekostnad i forhold til resultat før skatt



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Odfjell Platform Drilling AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 13 - Egenkapital

Beløp vises i tusen kr

	Aksjekapital	Overkurs	Annen innskutt egenkapital	Annen egenkapital	Sum
Egenkapital 01.01.	1 329	0	17 155	102 968	121 452
Årsresultat	0	0	0	50 048	50 048
Tingsinnskudd*	9	8 492	0	0	8 500
Aksjeopsjonsprogram, se note 5	0	0	296	0	296
Egenkapital 31.12.	1 337	8 492	17 452	153 016	180 296

*Tingsinnskuddet gjøres opp ved at selskapet mottar 100 % av aksjene i Odfjell Offshore Ltd fra ulitmate morselskap Odfjell Technology Ltd.

Note 14 - Fordringer og gjeld

Beløp vises i tusen kr

<i>Kundefordringer</i>	2022	2021
Kundefordringer - brutto	32	0
Avsetning tap på kundefordringer	0	0
Kundefordringer - konsern, se note 15	12 444	5 555
Sum netto kundefordringer	12 476	5 555
<i>Andre kortsiktige fordringer</i>		
Andre kortsiktige fordringer konsern, se note 15	57 719	6 209
Forskuddsbetalte kostnader	1 117	531
Tilgode MVA	1 264	62
Andre kortsiktige fordringer	-10	1
Sum andre kortsiktige fordringer	60 091	6 803
<i>Leverandørgjeld</i>		
Leverandørgjeld - ekstern	-1 809	-596
Leverandørgjeld - konsern, se note 15	-1 206	-588
	-3 015	-1 183
<i>Annen kortsiktig gjeld</i>		
Kortsiktig gjeld til konsern, se note 15	-3 550	-55
Påløpt lønn, feriepengar og overtid etc.	-13 772	-15 029
Andre påløpte kostnader	-985	-418
	-18 306	-15 502



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Odfjell Platform Drilling AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 15 - Mellomværende med selskap i samme konsern og tilknyttet selskap

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser.

<i>Kortsiktige driftsrelaterte fordringer</i>	2022	2021
OT Ltd Group - konsernselskap	20 164	11 459
Sum driftsrelaterte fordringer	20 164	11 459
<i>Kortiktig driftsrelatert gjeld</i>	2022	2021
OT Ltd Group - konsernselskap	-1 287	-370
OD Ltd Group - nærstående part	-110	-273
Sum driftsrelatert gjeld	-1 397	-643
<i>Konsernbidrag og utbytte</i>	2022	2021
OT Ltd Group - konsernselskap - mottatt konsernbidrag	0	306
OT Ltd Group - konsernselskap - avgitt konsernbidrag	-3 358	0
OT Ltd Group - konsernselskap - mottatt utbytte	50 000	0
Sum (mottatt + / avgitt -)	46 642	306

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group).

Note 16 - Konsernkontoordning

Beløp vises i tusen kr

Selskapets driftkontoer på inngår i konsernkontoordning hvor Odfjell Technology Ltd. er konsernkontoeier og således eier av bankmidlene. Konsernkontosystemet er opprettet for å bidra til en optimal likviditetsstyring i Odfjell Technology Ltd. konsernet. Selskapet har solidaransvar for innskudd i konsernkontoordning, og har ikke separatt rettighet for midler som inngår i konsernkontoordningen. Netto innestående på konsernkontoordningen er klassifisert som annen kortsiktig fordring i balansen.

<i>Oversikt konsernkontoordning</i>	2022	2021
NOK	-86 345	8 033
GBP	2 307	2 285
Sum konsernkontoordning (- gjeld / + fordring)	-84 038	10 317

Note 17 - Bankinnskudd

Beløp vises i tusen kr

	2022
Bundne skattetrekksmidler utgjør	2 660



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Odfjell Platform Drilling AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 18 - Aksjekapital og aksjonærinformasjon

Beløp vises i tusen kr

Aksjekapitalen består av:

	Antall	Pålydende	Balanseført
Ordinære aksjer	1 337 089	1	1 337

Alle aksjer i selskapet tilhører samme aksjeklasse, og har like stemmerettigheter.

Oversikt over aksjonærene i selskapet pr. 31.12:

	Ordinære aksjer	Sum	Eier- andel	Stemme- andel
Odfjell Technology Ltd	1 337 089	1 337 089	100 %	100 %

Note 19 - Pant og garantier

Beløp vises i tusen kr

Selskapets aksjer er pantsatt som sikkerhet for Odfjell Technology Ltd's noterte obligasjonslån i Nordic Trustee på NOK 1 100 millioner, samt RCF på USD 25 millioner i DnB . Odfjell Platform Drilling AS er også garantist for nevnte bond- og banklån.

Odfjell Platform Drilling AS har stilt garanti under Odfjell Operations AS sin plattformboringskontrakt med Equinor Energy AS for Heidrun. Videre har selskapet garantert for Odfjell Technology (UK) Limited sine kontraktsforpliktelser overfor Taqa Bratani Limited.

Konsernet Odfjell Technology har fellesregistrering knyttet til merverdiavgift for konsernets avgiftsregistrerte foretak. Selskapet inngår i denne fellesregistreringen og er således solidarisk ansvarlig for skyldig merverdiavgift i Norge.



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Til generalforsamlingen i Odfjell Platform Drilling AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert årsregnskapet for Odfjell Platform Drilling AS som består av balanse per 31. desember 2022, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2022, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen og annen øvrig informasjon som er publisert sammen med årsregnskapet. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker verken informasjonen i årsberetningen eller annen øvrig informasjon.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen og annen øvrig informasjon. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen, annen øvrig informasjon og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen og annen øvrig informasjon ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen eller annen øvrig informasjon fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Offices in:

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Statsautoriserede revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodø	Knaresund	Stord	Ålesund
Drammen	Kristiansand	Straume	

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Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av intern kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimaterne og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.

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Bergen, 04. mai 2023
KPMG AS

Ståle Christensen
Statsautorisert revisor
(elektronisk signert)

Penneo document key: DL6ZV-10YHV-XS7WU-L1PLV-EHOTF-UOD5U



PENNEO

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Ståle Christensen

Partner

På vegne av: KPMG AS

Serienummer: 9578-5999-4-1660746

IP: 80.232.xxx.xxx

2023-05-04 14:00:03 UTC



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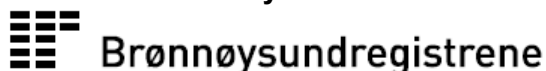
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Appendix 19 – Financial statements for Odfjell Technology AS as of and for the financial years ended 31 December 2023 and 31 December 2022



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	919 580 240
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ODFJELL TECHNOLOGY AS
Forretningsadresse:	Kokstadflaten 35 5257 KOKSTAD

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
-------------------------	-------------------------

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Joachim S.Lie
Dato for fastsettelse av årsregnskapet:	14.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 18.02.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekter	2, 3	517 108 000	353 517 000
Sum inntekter		517 108 000	353 517 000
Kostnader			
Lønnskostnad	4, 5, 6	317 112 000	221 595 000
Avskrivning	7, 8	22 046 000	13 961 000
Annen driftskostnad	9, 10	164 748 000	104 067 000
Sum kostnader		503 905 000	339 623 000
Driftsresultat		13 203 000	13 894 000
Finansinntekter og finanskostnader			
Finansinntekt	11	4 820 000	479 000
Sum finansinntekter		4 820 000	479 000
Finanskostnad	11	2 935 000	3 204 000
Sum finanskostnader		2 935 000	3 204 000
Netto finans		1 886 000	-2 725 000
Ordinært resultat før skattekostnad		15 089 000	11 169 000
Skattekostnad på ordinært resultat	12	4 420 000	2 903 000
Ordinært resultat etter skattekostnad		10 669 000	8 266 000
Årsresultat	20	10 669 000	8 266 000
Overføringer og disponeringer			
Avgitt konsernbidrag	13	14 589 000	5 678 000
Overføringer annen egenkapital	13	-3 920 000	2 587 000
Sum overføringer og disponeringer		10 669 000	8 266 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Lisenser, software	7	100 107 000	91 236 000
Sum immaterielle eiendeler		100 107 000	91 236 000
Varige driftsmidler			
Datamaskiner, inventar og biler	8	5 194 000	5 859 000
Sum varige driftsmidler		5 194 000	5 859 000
Finansielle anleggsmidler			
Investering i datterselskap	14	10 800 000	10 800 000
Pensjonsmidler	6	14 362 000	11 116 000
Sum finansielle anleggsmidler		25 162 000	21 916 000
Sum anleggsmidler		130 463 000	119 011 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	15, 16	42 785 000	44 592 000
Andre fordringer	15, 16	65 992 000	35 376 000
Sum fordringer	17	108 776 000	79 968 000
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	18	8 445 000	6 814 000
Sum omløpsmidler		117 221 000	86 782 000
SUM EIENDELER		247 684 000	205 792 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Balanse

Beløp i: NOK	Note	2023	2022
Innskutt egenkapital			
Aksjekapital	13, 19	249 000	249 000
Annen innskutt egenkapital	5, 13	28 148 000	24 369 000
Sum innskutt egenkapital		28 397 000	24 618 000
Opptjent egenkapital			
Annen egenkapital	13	53 533 000	57 453 000
Sum opptjent egenkapital		53 533 000	57 453 000
Sum egenkapital		81 930 000	82 071 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	12	3 237 000	2 932 000
Sum avsetninger for forpliktelser		3 237 000	2 932 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		3 237 000	2 932 000
Kortsiktig gjeld			
Leverandørgjeld	15, 16	19 107 000	13 673 000
Betalbar skatt	12	0	0
Skyldige offentlige avgifter		21 946 000	15 004 000
Annen kortsiktig gjeld		22 036 000	14 520 000
Annen kortsiktig gjeld	15, 16	59 162 000	41 926 000
Sum kortsiktig gjeld	17	162 518 000	120 790 000
Sum gjeld		165 754 000	123 722 000
SUM EGENKAPITAL OG GJELD		247 684 000	205 792 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 420401

Enheten

Organisasjonsnummer: 919 580 240
Organisasjonsform: Aksjeselskap
Foretaksnavn: ODFJELL TECHNOLOGY AS
Forretningsadresse: Kokstadflaten 35
5257 KOKSTAD

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av
årsregnskapet til konsernet: -

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Joachim S.Lie
Dato for fastsettelse av årsregnskapet: 14.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 21.05.2024



Organisasjonsnr: 919 580 240
ODFJELL TECHNOLOGY AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekter	2, 3	517 108 000	353 517 000
Sum inntekter		517 108 000	353 517 000
Kostnader			
Lønnskostnad	4, 5, 6	317 112 000	221 595 000
Avskrivning	7, 8	22 046 000	13 961 000
Annen driftskostnad	9, 10	164 748 000	104 067 000
Sum kostnader		503 905 000	339 623 000
Driftsresultat		13 203 000	13 894 000
Finansinntekter og finanskostnader			
Finansinntekt	11	4 820 000	479 000
Sum finansinntekter		4 820 000	479 000
Finanskostnad	11	2 935 000	3 204 000
Sum finanskostnader		2 935 000	3 204 000
Netto finans		1 886 000	-2 725 000
Ordinært resultat før skattekostnad		15 089 000	11 169 000
Skattekostnad på ordinært resultat	12	4 420 000	2 903 000
Ordinært resultat etter skattekostnad		10 669 000	8 266 000
Årsresultat	20	10 669 000	8 266 000
Overføringer og disponeringer			
Avgitt konsernbidrag	13	14 589 000	5 678 000
Overføringer annen egenkapital	13	-3 920 000	2 587 000
Sum overføringer og disponeringer		10 669 000	8 266 000



Organisasjonsnr: 919 580 240
ODFJELL TECHNOLOGY AS

BALANSE

Beløp i: NOK	Note	2023	2022
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BALANSE - EIENDELER

Anleggsmidler

Immaterielle eiendeler

Lisenser, software	7	100 107 000	91 236 000
Sum immaterielle eiendeler		100 107 000	91 236 000

Varige driftsmidler

Datamaskiner, inventar og biler	8	5 194 000	5 859 000
Sum varige driftsmidler		5 194 000	5 859 000

Finansielle anleggsmidler

Investering i datterselskap	14	10 800 000	10 800 000
Pensjonsmidler	6	14 362 000	11 116 000
Sum finansielle anleggsmidler		25 162 000	21 916 000

Sum anleggsmidler		130 463 000	119 011 000
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Omløpsmidler

Varer

Fordringer

Kundefordringer	15, 16	42 785 000	44 592 000
Andre fordringer	15, 16	65 992 000	35 376 000
Sum fordringer	17	108 776 000	79 968 000

Bankinnskudd, kontanter og lignende

Sum bankinnskudd, kontanter og lignende	18	8 445 000	6 814 000
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Sum omløpsmidler		117 221 000	86 782 000
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SUM EIENDELER		247 684 000	205 792 000
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BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Aksjekapital	13, 19	249 000	249 000
Annen innskutt egenkapital	5, 13	28 148 000	24 369 000
Sum innskutt egenkapital		28 397 000	24 618 000

Opptjent egenkapital

Annen egenkapital	13	53 533 000	57 453 000
Sum opptjent egenkapital		53 533 000	57 453 000



Sum egenkapital		81 930 000	82 071 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	12	3 237 000	2 932 000
Sum avsetninger for forpliktelser		3 237 000	2 932 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		3 237 000	2 932 000
Kortsiktig gjeld			
Leverandørgjeld	15, 16	19 107 000	13 673 000
Betalbar skatt	12	0	0
Skyldige offentlige avgifter		21 946 000	15 004 000
Annen kortsiktig gjeld		22 036 000	14 520 000
Annen kortsiktig gjeld	15, 16	59 162 000	41 926 000
Sum kortsiktig gjeld	17	162 518 000	120 790 000
Sum gjeld		165 754 000	123 722 000
SUM EGENKAPITAL OG GJELD		247 684 000	205 792 000



Organisasjonsnr: 919 580 240
ODFJELL TECHNOLOGY AS

NOTEOPPLYSNINGER - SELSKAP

- alle poster oppgitt i hele tall

Note
19

Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Ordinære aksjer	249194.00	1.00	249194.00
<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
Odfjell Technology Ltd	249194.00	100.00%	Ordinære aksjer
<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	249194.00	100.00%	

Note
4

Lønn og ytelser

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	195830643000.00	143180277000.00
<u>Arbeidsgiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	38321524000.00	22259745000.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	18070320000.00	16324668000.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	64889125000.00	39830706000.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	317111612000.00	221595396000.00

Ytelser til daglig leder

Note

Ytelser til andre ledende personer

<u>Ledende person</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
-----------------------	-------------	---------------------	----------------------



Daglig leder (periode: 3075970000.0 139957000.00 2638269000.0
01.01.23 - 31.12.23) 0 0

Sum ytelse andre led.pers.	Lønn	Pensj.forpl.	Andre godtgj.
	3075970000.0	139957000.00	2638269000.0
	0		0

Andre godtgjørelser består av henholdsvis MNOK 2,4 i bonus og TNOK 238 i andre ytelser som forsikringer, firmabil/bilgodtgjørelse, telefon/it, fri avis, fordel ledsager på reise og andre naturalytelser. Selskapet er pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne loven.

Note

Ytelser til revisjon

Revisjon	Årets	Fjorårets
	157500000.00	90000000.00
Sum godtgjørelse til revisor	Årets	Fjorårets
	157500000.00	90000000.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
186.00

Note

Lån og sikkerhetsstillelse til ledende personer og aksjeeiere

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

Det er ikke gitt ytelser til styret for inneværende år. Det er ikke ytet lån eller stilt garantier til daglig leder, styreleder eller andre personlige nærstående parter. Se note 20 for garantier til nærstående selskaper.

Note

14

Konsern, tilknyttet selskap og datterselskap

Tilknyttet selskap/datterselskap

Navn og adresse	Eierandel	Stemmeandel	Egenkapital	Resultat
Odfjell Technology	100.00%	100.00%	25746900.00	1697327.00
Philippines Corp				



Virksomheten inngår i konsolideringen til morselskapets
konsernregnsk.: Nei

Datterselskap er utelatt fra konsolideringen: Nei

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
---------------------	------------------	------------------	----------------

<u>Skattemessig fremf.undersk.</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Kortsiktig gjeld</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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Odfjell Technology AS

Årsrapport for 2023

Årsberetning

Årsregnskap

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Odfjell Technology AS

Årsberetning 2023

Odfjell Technology AS

Adresse: Kokstadflaten 35, 5257 Kokstad

Org.nr: 919 580 240 MVA

Virksomhetens art

Odfjell Technology AS er lokalisert i Bergen. Selskapet var ved utgangen av 2023 del av konsernet Odfjell Technology Ltd som driver internasjonal virksomhet innenfor managementtjenester, plattformboring, brønnservice og engineering.

Odfjell Technology AS yter tjenester innen med forretningsstøtte til andre selskaper i konsernet samt til nærstående konsern Odfjell Drilling Ltd (samme majoritetseier) og er juridisk ansettelsesselskap for felles stabsavdelinger.

Forventet markedsutvikling

Som del av Odfjell Technology Ltd konsernet vil også Odfjell Technology AS være påvirket av svingninger innen olje- og gassindustrien som følge av endring i oljepris og etterspørsel etter bore- og brønntjenester fra oljeselskapene. Det forventes økt etterspørsel innenfor den globale olje- og næringsindustrien som følge av underinvesteringer de siste 8 årene. Tilbud av olje- og gass er for lav til å møte forventet etterspørsel. Økning i investeringer og aktivitet er viktig for å møte den økende etterspørselen etter energi. Odfjell Technology Ltd konsernet har kontinuerlig fokus på kostnadsreduserende tiltak og effektiviseringsprogram for å effektivisere drift og redusere kostnader så mye som mulig. Selskapet vil også fremover fokusere på effektivisering av drift og å redusere kostnader.

Oljeservicemarkedet har utviklet seg positivt de siste årene på grunn av en sterk fokus på kostnadsdisiplin og mer effektive operasjoner, kombinert med en sunnere oljeprisutvikling. Overgangen til grønnere energikilder forventes å påvirke markedet i de kommende tiårene, men behov for fortsatt leting og produksjon av olje og gass anses som viktig, og det har blitt mer tydelig i det siste, med uroen i Europa, Midtøsten og krigen i Ukraina.

Den generelle situasjonen for den globale oljeserviceindustrien forventes å forbedre seg som et resultat av underinvestering i olje- og gasssektoren de siste 8 årene. Tilførselen av olje og gass er for lav til å møte forventet etterspørsel. Økning i investeringer og aktivitet er avgjørende for å møte det økende energibehovet samtidig som nye energikilder tar tid å implementere.

Markedet for våre boreoperasjoner og tjenester knyttet til boring har vært stabile det siste tiår. Vi har etablert en sterk tilstedeværelse i Nordsjøen med effektiv drift og sterke kunderelasjoner, som vi forventer å utnytte ytterligere. I tillegg er det muligheter for å utvide aktiviteter til andre regioner. Ingeniørmarkedet er i bedring i eksisterende leveranser og i grønne initiativer. Vi er godt posisjonert for å vokse i eksisterende tjenester og ytterligere utvide vår portefølje av grønne tjenester.

Det vil alltid knyttes usikkerhet til vurdering av fremtidige markedsforhold. Det settes sterkt fokus på å sikre høy kvalitet og sikkerhet i de tjenestene som utføres for selskapets kunder.

Aktuell ordresreserve og ingen signaler fra kunde om bruk av force majeure klausuler, gjør sitt til at selskapet i begrenset grad vurderes eksponert for bortfall av inntekter. Selskapet vil jobbe aktivt for å opprettholde omsetning i årene fremover.



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Odfjell Technology AS

Resultat, investeringer, finansiering og likviditet

Årsresultatet for Odfjell Technology AS viser et overskudd på MNOK 10,7 for 2023, sammenlignet med MNOK 8,3 i 2022. Driftsresultatet for 2023 var et overskudd på MNOK 13,2 mot MNOK 13,9 i 2022. Resultatforbedring skyldes i hovedsak økte inntekter knyttet til økt aktivitet hos selskapets kunder, samt utvidet tjenestespekter.

Ved utgangen av 2023 hadde selskapet en total kapital på MNOK 246,2. Egenkapitalen var på MNOK 81,9 og egenkapitalandelen var på 33 % pr 31.12.23. For 2022 var total kapitalen MNOK 205,8, og egenkapitalen på MNOK 82,1 utgjorde en egenkapitalandel på 40 %.

Selskapets kortsiktige gjeld ved utgangen av 2023 var MNOK 161,0 mot MNOK 120,8 i 2022.

Økning i kortsiktig gjeld forklares i hovedsak med økning i trekk på konsernkonto i forbindelse med investering i oppgradering av ERP-system.

Samlet kontantstrøm fra operasjonelle aktiviteter for selskapet i 2023 var MNOK 27,0 mot MNOK 9,7 i 2022. Differansen fra driftsresultatet skyldes i hovedsak avskrivninger, endringer i kortsiktige konsernmellomværende poster samt endring i kundefordringer. Kontantstrøm fra investeringsaktiviteter var i 2023 negativ med MNOK 30,3 som følge av utbetalinger i forbindelse med erverv av varige og immaterielle driftsmidler. Tilsvarende for 2022 var negativ med MNOK 55,4. Kontantstrøm fra finansieringsaktiviteter var i 2023 positiv med MNOK 4,8 som følge av endring gjeld knyttet til konsernkontoordning. Tilsvarende for 2022 var negativ MNOK 47,9.

Selskapets finansielle stilling anses som tilfredsstillende pr 31.12.2023. Styret er ikke kjent med at det har inntrådt forhold etter regnskapsårets slutt som er av betydning for bedømmelsen av selskapets og selskapets stilling.

Styret mener at det fremlagte årsregnskapet gir et rettviseende bilde over utviklingen og resultatet av foretakets virksomhet og stilling.

Finansiell risiko

Overordnet

Selskapets finansielle forpliktelser består av kortsiktig gjeld til andre konsernselskap og leverandørgjeld. Hovedformålet med disse passiva er å finansiere selskapets drift. Selskapet har finansielle eiendeler som bankinnskudd, fordring andre konsernselskaper og kundefordringer.

Kredittrisiko

Selskapet leverer tjenester til offshore olje- og gassindustri og virksomhetens kunder består i hovedsak av interne konsernselskaper og nærstående konsern, og kredittrisiko vurderes som lav.

Likviditetsrisiko

Selskapet har likviditetsrisiko knyttet til eventuelt bortfall av inntekter. Siden kunder i hovedsak består av interne konsernselskaper reflekteres risikoen fra Odfjell Technology Ltd konsernet og nærstående konsern Odfjell Drilling Ltd inn i selskapet. Se også omtale under avsnittet «Forventet markedsutvikling».

Valutarisiko

Selskapet har i all hovedsak sine driftskostnader, inntekter og investeringer i norske kroner, og har følgelig lav valutarisiko.

Fortsatt drift

Årsberetningen og fremlagte årsregnskap for Odfjell Technology AS er utarbeidet under forutsetning av fortsatt drift.

I samsvar med regnskapsloven § 3-3a bekreftes det at forutsetningene om fortsatt drift er til stede. Det er etter styrets vurdering ikke knyttet usikkerhet til den fortsatte driften av selskapet.



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Odfjell Technology AS

Arbeidsmiljø

Selskapets visjon, verdier, bedriftskultur og krav til ledere er beskrevet i konsernets styrende dokumentasjon. Dokumentene skal fremstå som et grunnleggende felleseie for alle ansatte - ledere som medarbeidere - i selskapet og gi alle medarbeidere den identitet og det verdigrunnlag som skal kjennetegne Odfjell Technology AS.

Arbeidsmiljø og personale utgjør viktige deler av konsernets bærekraftstrategi. En inngående beskrivelse av prosedyrer, målsetninger og tilhørende måltall for oppnåelse kan finnes i bærekraftrapportene som er gjort offentlig tilgjengelige på konsernets nettside: www.odfjelltechnology.com.

Selskapet er en kompetanseintensiv virksomhet som er avhengig av et høyt nivå av ekspertise og teknologisk kunnskap blant sine ansatte. Virksomheten tilbyr omfattende opplæring for å sikre kontinuerlig oppdatering av kunnskap, kompetanseheving og karriereutvikling for ansatte.

Odfjell Technology AS har etablert mål for lederutvikling, og evaluering skjer gjennom årlige organisasjonsundersøkelser for alle konsernets avdelinger på land og offshore i Norge.

Antall ansatte ved utgangen av 2023 var 186 mot 159 i 2022, med en turnover på 4,60 % i 2023.

Sykefravær

Totalt sykefravær for selskapet i 2023 var 3,3 %. Oppfølging og forebygging av sykefraværet har hatt høy fokus i 2023 og vil ha det videre i 2024. Konsernet har etablert bedriftshelsetjeneste og selskapet følger opp sykemeldt personell etter de prinsipper som ligger til grunn for et inkluderende arbeidsliv.

Det er i konsernet etablert både verneombud og arbeidsmiljøutvalg med tilrettelagt opplæring for de valgte personer. Videre har konsernet eget sosial- og attføringsutvalg og AKAN utvalg.

Arbeidsmiljø:

Arbeidsmiljøet i Odfjell Technology AS ansees for å være bra, noe som avdekkes gjennom jevnlig organisasjon- og arbeidsmiljøundersøkelser for ansatte i selskapet. Gjennom undersøkelsene får selskapet verdifull informasjon om hvordan ansatte opplever arbeidsoppgaver, arbeidsprosesser, arbeidsmengde, sosialt samspill og ledelse. Den gir også informasjon om hva som krever ytterlig fokus og virkninger av forbedringstiltak. Det er et viktig verktøy for å fremme og videreutvikle et godt arbeidsmiljø.

Helse, miljø og sikkerhet

Odfjell Technology Ltd konsernet arbeider kontinuerlig for forbedringsprosesser innenfor helse, miljø og sikkerhet (QHSSE) for å forhindre situasjoner som kan få uønskede konsekvenser, og på denne måten oppnå målsetningen om null feil.

Selskapet har fokusert på følgende hovedområder innen QHSSE i 2023:

- Standardisering og forenkling av prosedyrer og arbeidsprosesser
- Redusere karbonavtrykket
- Forbedre cybersikkerhet
- Sikre kompetanse og kapasitet
- Digitalisering av verktøy og prosesser



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Odfjell Technology AS

Ytre miljø og miljørapportering

Selskapet har en gjennomgående «null feil filosofi» relatert til KHMS og uønskede hendelser. Denne filosofien omfatter også potensialet for miljøforurensning. Konsernet har som ledd i sin bærekraftstrategi fokus på utslipp til luft, sjø og land, samt håndtering av avfall. Disse fokusområdene er reflektert i konsernets HMS program som gjelder for alle selskapene i Odfjell Technology konsernet. En inngående beskrivelse av prosedyrer, målsetninger og tilhørende måltall for oppnåelse kan finnes i bærekraftrapportene som er gjort offentlig tilgjengelige på konsernets nettside, www.odfjelltechnology.com.

Selskapets virksomhet forurenser ikke det ytre miljø.

Likestilling og diskriminering

Likestilling og anti-diskriminering er en viktig del av konsernets bærekraftstrategi. En inngående beskrivelse av prosedyrer, målsetninger og tilhørende måltall for oppnåelse kan finnes i bærekraftrapportene som er gjort offentlig tilgjengelige på konsernets nettside, www.odfjelltechnology.com.

Selskapet har krav til at all aktivitet både i Norge og internasjonalt skal gjennomføres i tråd med gjeldende lovgivning, og i henhold til selskapets etiske retningslinjer. Diskrimineringsloven inngår som en del av det regelverk som er adoptert av selskapet og innarbeidet i selskapets styrende dokumentasjon for all aktivitet i inn og utland. Selskapets vedtatte personal policy presiserer at Odfjell Technology konsernet skal rekruttere og utvikle medarbeidere basert på like muligheter og rettigheter uavhengig av etnisk bakgrunn, nasjonal opprinnelse, religion, kjønn, alder, seksuell legning, sivilstand og uførhet. Det er forbud mot diskriminering og ulike former for mobbing, trakassering og utfrysning.

Tiltak som er iverksatt for å fremme likestilling, er innlemmet i selskapets policy, der det vektlegges at alle arbeidstakere gis samme mulighet til arbeid og faglig utvikling, og likestilles med hensyn til ansettelse, lønn, opplæring og avansement. Følgelig har bedriften i sin personalpolitikk ivaretatt likestillingsperspektivet ved ansettelser, lønn, forfremmelser og kompetansegivende etter- og videreutdanning m.m.

Bedriften arbeider aktivt, målrettet og planmessig for å unngå diskriminering, både gjennom tilpasning av virksomhetens styrende dokumentasjon, gjennom opplæring og gjennomføring av tiltak. Slike tiltak omfatter blant annet rekruttering, lønns- og arbeidsvilkår, forfremmelse, utviklingsmuligheter og beskyttelse mot trakassering.

Selskapet har tilrettelagt tilgang til bedriftens styrende dokumentasjon via Odfjell Technology's intranettsider, der blant annet informasjonstilgang til selskapets styringssystem, lederhåndbok og personalhåndbok er tilgjengelig for alle ansatte. Dette er tiltak for blant annet å synliggjøre selskapets holdning til å fremme like muligheter, rettferdighet og hindre diskriminering. «Etikk og forretningskultur i Odfjell Technology» er i tillegg utgitt i brosjyreform som sendes ut ved nyansettelse. Odfjell Technology har også et varslingssystem jamfør Arbeidsmiljøloven Kapittel 2 A. Varsling.

Bedriften har som målsetning å være en arbeidsplass hvor det ikke forekommer diskriminering. Selskapet har ansatte fra ulike nasjonaliteter. Internasjonalisering og en økende andel av utenlandske arbeidstakere med ulike sosial, etnisk og kulturell bakgrunn, gjenspeiler selskapet sin mangfoldighet og flerkulturelle miljø.

Odfjell Technology AS arbeider aktivt og målrettet for å utforme og tilrettelegge de fysiske forholdene slik at virksomhetens funksjon kan benyttes av flest mulig og ved nedsatt funksjonsevne. For arbeidstakere eller arbeidssøkere med nedsatt funksjonsevne foretas det individuell tilrettelegging av arbeidsplass og arbeidsoppgaver.

Selskapet har pr utgangen av året 186 ansatte, av disse er 106 kvinner (57%).

Alle parter i bedriften har et felles ansvar for gjennomføring av likestilling og gjennom de etablerte hovedavtaler er det enighet om å legge vekt på tiltak for at kvinner og menn tildeles kvalifiserte oppgaver på lik linje, og at det gis like muligheter for avansement i virksomheten, samt rekruttering av kvinner til lederstillinger på alle nivå. I tillegg bedre fordeling og organisering av arbeidstid slik at det fremmer



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Odfjell Technology AS

likestilling. Det arbeides kontinuerlig med å rekruttere flere kvinner til høyere nivåer.

Selskapet legger vekt på en personalpolitikk som ikke diskriminerer på grunn av alder. Aldersfordelingen blant ansatte er mellom 20 og 69 år, der gjennomsnittsalderen er omtrent 45 år.

Likeverd er en integrert del av personalpolitikken og forutsetter at man ser sammenhengen mellom arbeidsliv, familieliv og samfunnsliv. I avtaler som er inngått er det presisert at likestilling er et lederansvar som handler om holdninger og normer med krav om sterk medvirkning både fra ledelsen og de tillitsvalgte.

Organisasjonsfrihet og retten til kollektive forhandlinger er stadfestet i selskapets styrende dokumentasjon og følges opp kontinuerlig for alle aktiviteter. Ett av flere tiltak for å forebygge diskriminering eller urettferdighet er knyttet til bedriften sitt arbeid med et godt arbeidsmiljø.

Som et ledd i selskapets "Human Right Policy" er det også vedtatt forbud mot alle former for tvangsarbeid eller barnarbeid. All Odfjell Technology's aktivitet skal være i samsvar med internasjonalt anerkjente arbeidsstandarder innenfor områder som lønn, arbeidstid, disiplinære metoder, arbeidsavtaler og arbeidsforhold. Tilsvarende krav skal også håndheves gjennom kontrakter med leverandører, samarbeidspartnere, agenter etc. Konsernets «Human rights policy» i henhold til ikrafttredelse av den nye Åpenhetsloven av 1. juli 2022, samt selskapets Likestillingsredegjørelse er tilgjengelig på Odfjell Drilling's offentlige webside; www.odfjelldrilling.com.

Redegjørelse i henhold til Likestillings- og diskrimineringsloven §26 er tilgjengelig på Odfjell Technology's offentlige webside; www.odfjelltechnology.com.

Styreansvarsforsikring

Det er tegnet forsikring på konsernnivå for styrets medlemmer og daglig leder for deres mulige ansvar overfor selskapet og tredjepersoner. Forsikringen er begrenset til MNOK 75 per år og per hendelse.

Bergen, 29. april 2024
Styret for Odfjell Technology AS

Simen Lieungh

Simen Lieungh
Daglig leder / Styreleder

Harald Hereid

Harald Asle Hereid
Styremedlem

Jone Tørstensen

Jone Tørstensen
Styremedlem

Kurt Werner Holsæter

Kurt Werner Holsæter
Styremedlem

Fredrik Glenjen

Fredrik Glenjen
Styremedlem



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Odfjell Technology AS

Resultatregnskap

Beløp vises i tusen kr

	Note	2023	2022
Salgsinntekter			
Salgsinntekter	2, 3	517 108	353 517
Driftskostnader			
Lønnskostnad	4, 5, 6	317 112	221 595
Avskrivning	7, 8	22 046	13 961
Annen driftskostnad	9, 10	164 748	104 067
Sum driftskostnader		503 905	339 623
Driftsresultat		13 203	13 894
Finansinntekter og finanskostnader			
Finansinntekt	11	4 820	479
Finanskostnad	11	2 935	3 204
Netto finansposter		1 886	-2 725
Ordinært resultat før skattekostnad		15 089	11 169
Skattekostnad på ordinært resultat	12	4 420	2 903
Årsresultat		10 669	8 266
Overføringer og disponeringer			
Avgitt konsernbidrag	13	14 589	5 678
Overføringer annen egenkapital	13	-3 920	2 587
Sum disponert		10 669	8 266



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Odfjell Technology AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2023	2022
Anleggsmidler			
<i>Immaterielle eiendeler</i>			
Lisenser, software	7	100 107	91 236
<i>Varige driftsmidler</i>			
Datamaskiner, inventar og biler	8	5 194	5 859
<i>Finansielle anleggsmidler</i>			
Investeringer i datterselskap	14	10 800	10 800
Pensjonsmidler	6	14 362	11 116
Sum finansielle anleggsmidler		25 162	21 916
Sum anleggsmidler		130 463	119 011
Omløpsmidler			
<i>Fordringer</i>			
Kundefordringer	15, 16	42 785	44 592
Fordring konsernkontoordning	17	0	0
Andre fordringer	15, 16	65 992	35 376
Sum fordringer		108 776	79 968
Bankinnskudd	18	8 445	6 814
Sum omløpsmidler		117 221	86 782
Sum eiendeler		247 684	205 792



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Odfjell Technology AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2023	2022
Egenkapital			
<i>Innskutt egenkapital</i>			
Aksjekapital	13, 19	249	249
Annen innskutt egenkapital	5, 13	28 148	24 369
Sum innskutt egenkapital		28 397	24 618
<i>Opptjent egenkapital</i>			
Annen egenkapital	13	53 533	57 453
Sum egenkapital		81 930	82 071
Gjeld			
<i>Avsetninger for forpliktelser</i>			
Utsatt skatt	12	3 237	2 932
<i>Kortsiktig gjeld</i>			
Leverandørgjeld	15, 16	19 107	13 673
Betalbar skatt	12	0	0
Skylldige offentlige avgifter		21 946	15 004
Gjeld konsernkontoordning	17	62 303	50 187
Annen kortsiktig gjeld	15, 16	59 162	41 926
Sum kortsiktig gjeld		162 518	120 790
Sum gjeld		165 754	123 722
Sum egenkapital og gjeld		247 684	205 792

Bergen, 29. april 2024

Simen Lieungh

Simen Lieungh
Daglig leder / Styreleder

Harald Hereid

Harald Asle Hereid
Styremedlem

Jone Torstensen

Jone Torstensen
Styremedlem

Kurt Werner Holsæter

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Styremedlem

Fredrik Glenjen

Fredrik Glenjen
Styremedlem



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Odfjell Technology AS

Kontantstrømoppstilling

Beløp vises i tusen kr

	Note	2023	2022
Kontantstrømmer fra operasjonelle aktiviteter			
Resultat før skattekostnad		15 089	11 169
Ordinære avskrivninger	6, 7	22 046	13 961
Endring i kundefordringer og leverandørgjeld		7 241	-20 919
Forskjeller i pensjonsmidler/-forpliktelser		-3 247	-10
Endring i andre tidsavgrensningposter		7 041	9 763
Endring i kortsiktig konsernmellomværende ekskl. konsernbidrag		-24 903	-6 172
Kostnad aksjeopsjonsprogram		3 779	1 936
Netto kontantstrøm fra operasjonelle aktiviteter		<u>27 047</u>	<u>9 727</u>
Kontantstrømmer fra investeringsaktiviteter			
Utbetalinger ved kjøp av varige- og immaterielle driftsmidler	6, 7	-30 252	-44 580
Utbetalinger ved kjøp av aksjer i datterselskap	13	0	-10 800
Netto kontantstrøm fra investeringsaktiviteter		<u>-30 252</u>	<u>-55 380</u>
Kontantstrømmer fra finansieringsaktiviteter			
Inn-/utbetalinger av konsernbidrag		-7 280	-3 001
Netto endring fordring / gjeld konsernkontoordning	16	<u>12 116</u>	<u>50 958</u>
Netto kontantstrøm fra finansieringsaktiviteter		<u>4 836</u>	<u>47 957</u>
Effekt av valutakursendringer på likvider		0	-3
Netto endring i likvider i året		1 631	2 301
Kontanter og bankinnskudd per 01.01		<u>6 814</u>	<u>4 513</u>
Kontanter og bankinnskudd per. 31.12		<u>8 445</u>	<u>6 814</u>



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Odfjell Technology AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 1 - Regnskapsprinsipper

Selskapet ble stiftet 1. september 2017. Selskapet driver virksomhet innenfor forretningsstøtte for andre selskap i både Odfjell Technology konsernet og Odfjell Drilling konsernet.

Årsregnskapet består av resultatregnskap, balanse, noteopplysninger, kontantstrømoppstilling og er avlagt i samsvar med regnskapslov og god regnskapsskikk i Norge. Norske kroner benyttes som funksjonell og rapporterings valuta i regnskapet.

Det ultimate morselskap pr. 31. desember 2023 er Odfjell Technology Ltd som har forretningskontor i Aberdeen, Scotland.

Konsernregnskapet er tilgjengelig på selskapets hjemmeside www.odfjelltechnology.com.

Salgsinntekter

Inntekter fra salg av tjenester resultatføres når levering har funnet.

Aksjeopsjoner

Konsernet har aksjeopsjonsprogrammer for selskapets ledelse. Programmene måles til virkelig verdi på tildelingsdatoen. Opsjonsprogrammet for selskapets øverste ledelse er en ordning med oppgjør i aksjer. Virkelig verdi av tildelte opsjoner periodiseres over den periode de ansatte innviner rett til å motta opsjonene, hvilket vil si over den avtalte fremtidige tjenestetiden.

Kostnaden ved aksjebaserte transaksjoner med ansatte innregnes som en kostnad over gjennomsnittlig innvinningsperiode. For transaksjoner som gjøres opp i selskapets egenkapitalinstrumenter (ordninger med oppgjør i aksjer) regnskapsføres verdien av de tildelte opsjonene i perioden som en lønnskostnad i resultatet og med motpost annen innskutt egenkapital.

Arbeidsgiveravgift på opsjoner betalinger innregnes i resultatet over forventet opptjeningsperiode.

Bruk av estimer

Ledelsen har brukt estimer og forutsetninger som har påvirket resultatregnskapet og verdsettelsen av eiendeler og gjeld, samt usikre eiendeler og forpliktelser på balansedagen under utarbeidelsen av årsregnskapet i henhold til god regnskapsskikk.

Valuta

Transaksjoner i annen valuta som er med i resultatregnskapet er omregnet til norske kroner etter gjeldende kurs på transaksjonstidspunktet. Pengeposter i utenlandsk valuta er omregnet til norske kroner ved å benytte balansedagens kurs. Ikke-pengeposter som måles til historisk kurs uttrykt i utenlandsk valuta, omregnes til norske kroner ved å benytte valutakursen på transaksjonstidspunktet. Ikke-pengeposter som måles til virkelig verdi uttrykt i utenlandsk valuta, omregnes til valutakursen fastsatt på balansetidspunktet. Valutakursendringer resultatføres løpende i regnskapsperioden.

Periodisering

Inntekter og kostnader periodiseres i den perioden tjenesten er utført.



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Skatter

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet og nettoført. Netto utsatt skattefordel balanseføres i den grad det er sannsynlig at denne kan bli nyttiggjort.

Klassifisering og vurdering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter balansedagen. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Anleggsmidler med begrenset økonomisk levetid avskrives planmessig. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Varige driftsmidler

Varige driftsmidler balanseføres og avskrives lineært over driftsmidlets forventede levetid. Vesentlige driftsmidler som består av betydelige komponenter med ulik levetid er dekomponert med ulik avskrivningstid for de ulike komponentene. Direkte vedlikehold av driftsmidler kostnadsføres løpende under driftskostnader, mens påkostninger eller forbedringer tillegges driftsmidlets kostpris og avskrives i takt med driftsmidlet. Dersom gjenvinnbart beløp av driftsmiddelet er lavere enn balanseført verdi foretas nedskrivning til gjenvinnbart beløp. Gjenvinnbart beløp er det høyeste av netto salgsverdi og verdi i bruk. Verdi i bruk er nåverdien av de fremtidige kontantstrømmene som eiendelen forventes å generere.

Immaterielle eiendeler

Immaterielle eiendeler som er kjøpt separat måles ved førstegangs innregning til kost. I senere perioder regnskapsføres immaterielle eiendeler til kost fratrukket akkumulerte av- og nedskrivninger.

Immaterielle eiendeler med bestemt levetid avskrives over utnyttbar levetid. Utnyttbar levetid og avskrivningsmetode for immaterielle eiendeler med bestemt levetid vurderes minst én gang i året. Lineære avskrivninger brukes for de fleste immaterielle eiendeler da dette best reflekterer forbruket av eiendelene. Gevinst eller tap ved avgang av immaterielle eiendeler beregnes som differansen mellom netto salgsinntekt og eiendelens regnskapsførte verdi, og rapporteres som inntekter og kostnader på separate linjer i resultatregnskapet.

Fordringer

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene.



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Pensjoner

Pensjonskostnader og pensjonsforpliktelser beregnes etter lineær opptjening basert på forventet sluttlønn. Beregningen er basert på en rekke forutsetninger herunder diskonteringsrente, fremtidig regulering av lønn, pensjoner og ytelser fra folketrygden, fremtidig avkastning på pensjonsmidler samt aktuarmessige forutsetninger om dødelighet og frivillig avgang. Pensjonsmidler er vurdert til virkelig verdi og fratrasket i netto pensjonsforpliktelser i balansen. Endringer i forpliktelsen som skyldes endringer i pensjonsplaner fordeles over antatt gjenværende opptjeningstid. Endringer i forpliktelsen og pensjonsmidlene som skyldes endringer i og avvik i beregningsforutsetningene (estimatendringer) fordeles over antatt gjennomsnittlig gjenværende opptjeningstid hvis avvikene ved årets begynnelse overstiger 10 % av det største av brutto pensjonsforpliktelser og pensjonsmidler.

Kontantstrømoppstilling

Kontantstrømoppstillingen er utarbeidet etter den indirekte metode. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige, likvide plasseringer.

Reklassifisering

Ved reklassifisering av resultat- og balanseposter omarbeides sammenligningstallene tilsvarende.

Datterselskap

Datterselskapet vurderes etter kostmetoden i selskapsregnskapet. Investeringen er vurdert til anskaffelseskost for aksjene med mindre nedskrivning har vært nødvendig. Det er foretatt nedskrivning til virkelig verdi når verdifall skyldes årsaker som ikke kan antas å være forbigående og det må anses nødvendig etter god regnskapsskikk. Nedskrivninger er reversert når grunnlaget for nedskrivning ikke lenger er til stede.

Utbytte og andre utdelinger er inntektsført samme år som det er avsatt i datterselskapet. Overstiger utbytte andel av tilbakeholdt resultat etter kjøpet, representerer den overskytende del tilbakebetaling av investert kapital, og utdelingene er fratrasket investeringens verdi i balansen.

Leasing / leieavtaler

Operasjonell leasing kostnadsføres som driftskostnad basert på fakturert leasingleie.

Note 2 - Salgsinntekter

Beløp vises i tusen kr

	2023	2022
<i>Pr. virksomhetsområde</i>		
Ledelses- og administrasjonstjenester / støttetjeneste	512 171	347 556
Teknisk management	2 900	2 900
Utleie personell	2 037	3 061
Sum	517 108	353 517

Selskapets driftsinntekter er i hovedsak knyttet til aktivitet utført i Norge.



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Note 3 - Nærstående transaksjoner - Inntekt fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser. I noten er det delt mellom inntekter i samme konsern og inntekter fra nærstående konsern (samme majoritetsseier), samt inntekter fra joint venture.

Beskrivelse nærstående part	Type transaksjon	2023	2022
OT Ltd Group - konsernselskap	Administrasjonstjenester	278 464	178 114
OD Ltd Group - nærstående part	Administrasjonstjenester	228 050	168 731
OOW AS - joint venture	Administrasjonstjenester	7 586	6 225
Sum		514 100	353 070

For kjøp/kostnad fra nærstående parter, se note 10.

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group) samt nærstående til joint venture Odfjell Oceanwind AS (OOW AS).



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Beløp vises i tusen kr

Note 4 - Lønnskostnader, antall ansatte, lån til ansatte og godtgjørelse til revisor

Beløp vises i tusen kr

Lønnskostnader	2023	2022
Lønninger	195 831	143 180
Arbeidsgiveravgift	38 322	22 260
Pensjonskostnader, se note 6	18 070	16 325
Andre ytelser	13 072	5 874
Innleid personell	48 038	32 020
Kostnad aksjeopsjonsprogram, se note 5	3 779	1 936
Sum	317 112	221 595

Selskapet har i regnskapsåret sysselsatt totalt 186 årsverk.

Ytelser til ledende personer

	Lønn	Pensjonsutgifter	Andre godtgjørelser
Daglig leder (periode: 01.01.23 - 31.12.23)	3 076	140	2 638

Andre godtgjørelser består av henholdsvis MNOK 2,4 i bonus og TNOK 238 i andre ytelser som forsikringer, firmabil/bilgodtgjørelse, telefon/it, fri avis, fordel ledsager på reise og andre naturalytelser.

Selskapet er pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne loven.

Lån og sikkerhetsstillelse til ledende ansatte, tillitsvalgte og aksjeeiere mv.

Det er ikke gitt ytelser til styret for inneværende år.

Det er ikke ytet lån eller stilt garantier til daglig leder, styreleder eller andre personlige nærstående parter. Se note 20 for garantier til nærstående selskaper.

Godtgjørelse til revisor er fordelt på følgende:	2023	2022
Lovpålagt revisjon	158	90

Merverdiavgift er ikke inkludert i revisjonshonoraret.



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Beløp vises i tusen kr

Note 5 - Aksjebasert betaling

Beløp vises i tusen kr

Konsernet har aksjeopsjonsprogrammer for selskapets ledelse. Programmene måles til virkelig verdi på tildelingsdatoen. Opsjonsprogrammet for selskapets verste ledelse er en ordning med oppgjør i aksjer. Virkelig verdi av tildelte opsjoner periodiseres over den periode de ansatte innviner rett til å motta opsjonene, hvilket vil si over den avtalte fremtidige tjenestetiden.

Kostnaden ved aksjebaserte transaksjoner med ansatte innregnes som en kostnad over gjennomsnittlig innvinningsperiode. For transaksjoner som gjøres opp i selskapets egenkapitalinstrumenter (ordninger med oppgjør i aksjer) regnskapsføres verdien av de tildelte opsjonene i perioden som en innskostnad i resultatet og med motpost annen innskutt egenkapital.

Arbeidsgiveravgift på opsjonene innregnes i resultatet over forventet opptjeningsperiode.

Detaljer vedrørende aksjeopsjonsprogrammet:

27. juni 2022 implementerte selskapet en langsiktig incentiv plan for ledende ansatte. Totalt 1 275 000 aksjeopsjoner har blitt tildelt ledende ansatte i selskapet med en innløsningspris på NOK 22,31 per aksjeopsjon.

Aksjeopsjonene kan bare bli utøvd i 3 like deler, i år 2, 3 og 4 etter utstedelsesdato. Aksjeopsjonene kan bli utøvd i etterfølgende år. Aksjeopsjoner som ikke er utøvd i de første 2 årene etter utstedelsesdato kan bli rullert frem til neste år. Aksjeopsjoner som ikke er utøvd innen sluttperioden som er 3. kvartal i 2025, vil bli slettet.

Oversikt utestående aksjeopsjoner	2023	2022
Utestående opsjoner 1.1	1 275	0
Tildelte opsjoner		1 275
Utestående opsjoner 31.12	1 275	1 275

Virkelig verdi på opsjonene er estimert ved hjelp av Black and Scholes opsjonspriseringsmodell. Gjennomsnittlig virkelig verdi av tildelte opsjoner i 2022 er NOK 8,90. Total kostnad på aksjeopsjonsprogrammet er beregnet ved bruk av virkelig verdi per opsjon (NOK 8,90 / pr opsjon) multiplisert med antall opsjoner (1 275 000). Total kostnad tilsvarer omtrent NOK 11,3 mill. og kostnadsføres over opsjonens levetid, forventet frem til juli 2025. Kostnadsført knyttet til aksjeopsjoner i 2023 er MNOK 3,779 se for øvrig note 4.

Følgende forutsetninger er lagt til grunn for beregningen:

Aksjekurs på tildelingstidspunkt

Aksjeprisen er satt lik børskursen på tildelingstidspunktet.

Innløsningskurs pr. opsjon

Innløsningsprisen er NOK 22,31 per opsjon.

Volatilitet

Det er forutsatt at historisk volatilitet er en indikasjon på fremtidig volatilitet.

Forventet volatilitet er derfor satt lik historisk volatilitet som tilsvarer en volatilitet på 55 %.



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Opsjonens levetid

Opsjonens forventede løpetid er 3 år.

Utbytte

Forventet utbytte per aksje er NOK 0 pr. år.

Risikofri rente

Risikofri rente som er lagt til grunn for beregning av opsjoner er på 3,67 % for 2023.

Note 6 - Pensjoner

Beløp vises i tusen kr

Selskapet er pliktig til å ha tjenstepensjonsordning etter lov om obligatorisk tjenstepensjon, og selskapet har tjensteordninger som oppfyller kravene etter denne loven.

Selskapet har en kollektiv innskuddsbasert ordning med sparedel og tilhørende risikodekning av uføre-, ektefelle- og barnepensjon. Denne ordningen omfatter 165 personer pr. 31.12.2023 (140 personer pr. 31.12.2022).

Selskapet har i tillegg en lukket kollektiv ytelsesbasert pensjonsordning som omfatter i alt 13 aktive og 10 pensjonister pr. 31.12.2023 (16 aktive og 8 pensjonister pr. 31.12.2022). Ordningen er forsikret i porteføljen til DNB Liv ASA. Ordningen gir rett til definerte fremtidige ytelser. Disse er i hovedsak avhengig av antall opptjeningsår, lønnsnivå ved oppnådd pensjonsalder og størrelsen på ytelsene fra folketrygden. I tilknytning til ytelsesordningen har selskapet risikodekning av uføre-, ektefelle- og barnepensjon.

Forpliktelser i AFP-ordning

Selskapet er medlem av den AFP-ordningen. AFP-ordningen er en ordning som gir livslangt tillegg på den ordinære pensjonen. De ansatte kan velge å ta ut den nye AFP-ordningen fra og med fylte 62 år. Den nye AFP-ordningen er en ytelsesbasert flerforetakspensjonsordning og finansieres gjennom premier som fastsettes som en prosent av lønn. Foreløpig foreligger ingen pålitelig måling og allokering av forpliktelse og midler i ordningen. Regnskapsmessig blir ordningen behandlet som en innskuddsbasert pensjonsordning hvor premiebetalingen kostnadsføres løpende, og ingen avsetning foretas i regnskapet.

I 2023 utgjorde premien 2,6 % av lønn mellom 1G og 7,1G.

Selskapet har et pensjonsløfte overfor de ansatte på inntil 1G årlig i perioden 62-67 år ved fratredelse av stilling, forutsatt at de tilfredsstiller kravene til å motta ny AFP. Sannsynligheten for uttak er så lav at forpliktelsen ikke er balanseført. Ved faktisk uttak av gavepensjon blir totalkostnad kostnadsført umiddelbart.



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	2023	2022
Nåverdi av årets pensjonsopptjening	1 916	1 825
Rentekostnad av pensjonsforpliktelsen	2 189	850
Avkastning på pensjonsmidler	-3 040	-1 401
Administrasjonskostnader	484	518
Resultatført estimatavvik	2 200	2 282
Periodisert arbeidsgiveravgift	218	253
Netto pensjonskostnad ytelsesordning	3 967	4 327
Kostnad risikodekninger og utløsning gavepensjon	142	863
Kostnad innskuddspensjon inkludert risikodekning	11 246	9 047
Kostnad flerforetaksordning bokført som innskuddsbasert (AFP)	2 715	2 088
Netto pensjonskostnad	18 070	16 325
	2023	2022
Påløpte pensjonsforpliktelser pr. 31.12	72 331	68 942
Pensjonsmidler (til markedsverdi) pr. 31.12	-62 222	-59 660
Netto pensjonsforpliktelser pr.31.12 eksl. arbeidsgiveravgift	10 109	9 282
Ikke resultatført virkning av estimatavvik	-25 897	-21 706
Arbeidsgiveravgift	1 425	1 309
Netto pensjonsforpliktelse (+) / midler (-)	-14 362	-11 116
Økonomiske forutsetninger:	2023	2022
Diskonteringsrente	3,70%	3,20%
Forventet lønnsregulering/pensjonsøkning/G-regulering	3,75%	3,75%
Forventet avkastning på fondsmidler	5,40%	4,90%
Regulering av folketrygdens grunnbeløp	3,50%	3,50%

Som aktuariemessig forutsetninger for demografiske faktorer og avgang er lagt til grunn vanlig benyttede forutsetninger innen forsikring.

Note 7 - Immaterielle eiendeler

Beløp vises i tusen kr

	Lisenser, software
Anskaffelseskost pr 01.01.	279 994
Netto tilgang kjøpte eiendeler	28 462
Avgang ferdig avskrevet eiendeler	-23 634
Anskaffelseskost 31.12.	284 822
Akk.avskrivninger 31.12.	-184 716
Balanseført verdi pr.31.12.	100 107
Årets avskrivninger	19 591
Økonomisk levetid	7 år
Avskrivningsplan	Lineær



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Note 8 - Varige driftsmidler

Beløp vises i tusen kr

	Datamaskiner, inventar og biler
Anskaffelseskost 01.01.	36 949
Tilgang kjøpte driftsmidler	1 790
Avgang solgte driftsmidler	0
Avgang ferdig avskrevet driftsmidler	-9 294
Anskaffelseskost 31.12.	29 444
Akk.avskrivning 31.12.	-24 250
Balanseført pr. 31.12.	5 194
Årets avskrivninger	2 455
Økonomisk levetid	3 -5 år
Avskrivningsplan	Lineær

Note 9 - Driftskostnader

Beløp vises i tusen kr

	2023	2022
Innleide tjenester og underleveranser	4 419	1 012
IT-utstyr og inventar	10 980	10 178
Reparasjon og vedlikehold IT utstyr	53 601	40 063
Kurskostnader	1 944	234
Transport og frakt	29	21
Kostnader kontorlokaler	41 648	19 830
Reisekostnader	11 779	4 916
IT-konsulenttjenester	12 658	11 744
Andre drifts- og administrasjonskostnader *	27 690	16 069
Sum	164 748	104 067

*Økning i andre drifts- og administrasjonskostnader relaterer seg i hovedsak til
- 50 årsjubileumet med en økning på ca NOK 15,4 millioner



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Note 10 - Nærstående transaksjoner - Kjøp/kostnad fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser. I noten er det delt mellom inntekter i samme konsern og inntekter fra nærstående konsern (samme majoritetsseier), samt inntekter fra joint venture.

Beskrivelse nærstående part	Type transaksjon	2023	2022
OT Ltd Group - konsernselskap	Innleide personelltjenester	37 468	30 198
OD Ltd Group - nærstående part	Innleide personelltjenester	1 497	86
OD Ltd Group - nærstående part	Kostnad lokaler	2 685	5 875
OOW AS - joint venture	Innleide personelltjenester	1 343	251
Sum		42 993	36 410

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group) samt nærstående til joint venture Odfjell Oceanwind AS (OOW AS).

Note 11 - Finansinntekter og kostnader

Beløp vises i tusen kr

Finansinntekter	2023	2022
Renteinntekter	660	479
Netto valutagevinst	4 161	0
Sum finansinntekter	4 820	479
Finanskostnader	2023	2022
Rentekostnader	-2 887	-861
Netto valutap	0	-2 314
Andre finanskostnader	-48	-29
Sum finanskostnader	-2 935	-3 204
Netto finans	2023	2022
Netto finans	1 886	-2 725
Sum netto finans (+ inntekt / - kostnad)	1 886	-2 725



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Note 12 - Skatt

Beløp vises i tusen kr

<i>Årets skattekostnad fordeler seg på:</i>	2023	2022
Betalbar skatt	4 115	1 605
For mye (lite) avsatt tidligere år	0	-3
Endring utsatt skatt	305	1 301
Årets totale skattekostnad	4 420	2 903
<i>Beregning av årets skattegrunnlag:</i>	2023	2022
Ordinært resultat før skattekostnad	15 089	11 169
Permanente forskjeller	5 000	2 041
Endring i midlertidige forskjeller	-1 385	-5 929
Alminnelig inntekt	18 704	7 280
Ytet konsernbidrag	-18 704	-7 280
Årets skattegrunnlag	0	0
Betalbar skatt (22%) av årets skattegrunnlag	0	0
<i>Oversikt over midlertidige forskjeller</i>	2023	2022
Driftsmidler inkl goodwill	349	2 211
Netto pensjonsmidler	14 362	11 116
Netto midlertidige forskjeller pr 31.12	14 711	13 326
Utsatt skattefordel/Utsatt skatt (22%)	3 237	2 932
<i>Oversikt over permanente forskjeller</i>	2023	2022
Ikke fradragsberettigede representasjonskostnader		37
Ikke fradragsberettigede kontingenter	96	68
Rentekostnad på utlignet skatt	0	0
Kostnad aksjeopsjonsprogram, se note 5	3 779	1 936
Andre ikke fradragsberettigede kostnader	1 126	0
Sum permanente forskjeller	5 000	2 041
<i>Forklaring til hvorfor årets skattekostnad ikke utgjør 22% av resultat før skatt</i>	2023	
22% skatt av resultat før skatt	3 319	
Permanente forskjeller (22%)	1 100	
Beregnet skattekostnad	4 420	
Effektiv skattesats *)	29,3 %	
*) Skattekostnad i forhold til resultat før skatt		



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Odfjell Technology AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 13 - Egenkapital

Beløp vises i tusen kr

	Aksjekapital	Annen innskutt egenkapital	Annen egenkapital	Sum
Egenkapital 01.01.	249	24 369	57 453	82 071
Årsresultat	0	0	10 669	10 669
Avgitt konsernbidrag	0	0	-14 589	-14 589
Akseopsjonsprogram, se note 5	0	3 779	0	3 779
Egenkapital 31.12.	249	28 148	53 533	81 930

Note 14 - Datterselskap

Beløp vises i tusen kr

Selskap	Anskaffelses- år	Kontor Manila, Filippinene	Eier- andel	Stemme- andel	Resultat 2023	Egenkapital pr. 31.12	Bokført verdi pr. 31.12
Odfjell Technology Philippines Corp	2022	Filippinene	100 %	100 %	1 697	25 747	10 800

Note 15 - Kundefordringer, andre kortsiktige fordringer, leverandørgjeld og annen kortsiktig gjeld

Beløp vises i tusen kr

<i>Kundefordringer</i>	2023	2022
Kundefordringer - brutto beløp	857	1 180
Kundefordringer - konsern, se note 16	41 661	43 412
Opptjent ikke fakturert driftsinntekt	266	0
Netto bokført verdi kundefordringer	42 785	44 592
<i>Andre fordringer</i>	2023	2022
Andre kortsiktige fordringer konsern, se note 16	33 656	13 541
Andre kortsiktige fordringer	32 336	21 835
Sum andre kortsiktige fordringer	65 992	35 376
<i>Leverandørgjeld</i>	2023	2022
Leverandørgjeld - eksternt	-14 579	-10 102
Leverandørgjeld - konsern, se note 16	-4 528	-3 570
Sum leverandørgjeld	-19 107	-13 673
<i>Annen kortsiktig gjeld</i>	2023	2022
Kortsiktig gjeld til konsern, se note 16	-18 761	-12 464
Påløpt lønn og feriepengar	-18 365	-14 943
Andre påløpte kostnader	-22 036	-14 520
Sum annen kortsiktig gjeld	-59 162	-41 926



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Odfjell Technology AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 16 - Mellomværende med selskap i samme konsern m.v

Beløp vises i tusen kr

Fordringer og gjeld mellom konsernselskaper (samme konsern) og konsernselskaper (nærstående konsern) knytter seg til den løpende drift og konsernbidrag. Konsernmellomværende er gjengitt på egne linjer i balansen.

<i>Kortsiktige driftsrelaterte fordringer</i>	2023	2022
OT Ltd Group - konsernselskap	59 159	30 993
OD Ltd Group - nærstående part	16 157	25 960
Sum driftsrelaterte fordringer	<u>75 317</u>	<u>56 953</u>
 <i>Kortsiktig driftsrelatert gjeld</i>	 2023	 2022
OT Ltd Group - konsernselskap	-3 457	-2 634
OD Ltd Group - nærstående part	-1 129	-6 120
Sum driftsrelatert gjeld	<u>-4 586</u>	<u>-8 754</u>
 <i>Konsernbidrag</i>	 2023	 2022
Avgitt konsernbidrag Odfjell Offshore Ltd.	-18 704	-7 280
Sum konsernbidrag (mottatt + / avgitt -)	<u>-18 704</u>	<u>-7 280</u>
 <i>Kortsiktige driftsrelaterte fordringer - joint venture</i>	 2023	 2022
OOW AS - joint venture	840	452
Sum driftsrelaterte fordringer - joint venture	<u>840</u>	<u>452</u>
 <i>Kortsiktige driftsrelaterte gjeld- joint venture</i>	 2023	 2022
OOW AS - joint venture	-647	0
Sum driftsrelaterte gjeld- joint venture	<u>-647</u>	<u>0</u>

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group) samt nærstående til joint venture Odfjell Oceanwind AS (OOW AS).

Note 17 - Konsernkontoordning

Beløp vises i tusen kr

Selskapets driftskontoer inngår i konsernkontoordning hvor Odfjell Technology Ltd per 31.12.2023 er konsernkontoeier og således eier av bankmidlene. Konsernkontosystemet er opprettet for å bidra til en optimal likviditetsstyring i Odfjell Technology Ltd. konsernet. Selskapet har solidaransvar for innskudd i konsernkontoordning, og har ikke separatistrettighet for midler som inngår i konsernkontoordningen. Netto innestående på konsernkontoordningen klassifiseres som annen kortsiktig fordring i balansen, mens netto trekk er klassifisert som annen kortsiktig gjeld og er vist på egen linje i balansen.

	2023	2022
Bankinnskudd USD	-43 594	-5 653
Bankinnskudd NOK	-18 708	-44 534
Sum fordring/(gjeld) konsernkontoordning	<u>-62 303</u>	<u>-50 187</u>



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Odfjell Technology AS

Noter til regnskapet for 2023

Beløp vises i tusen kr

Note 18 - Bankinnskudd

Beløp vises i tusen kr

	2023
Bundne skattetrekksmidler utgjør	8 445

Note 19 - Aksjekapital og aksjonærinformasjon

Balanseført beløp vises i tusen kr

Aksjekapitalen består av:

	Antall	Pålydende	Balanseført
Ordinære aksjer	249 194	1	249

Oversikt over aksjonærene i selskapet pr. 31.12:

	Ordinære aksjer	Eier- andel	Stemme- andel
Odfjell Technology Ltd	249 194	100 %	100 %

Note 20 - Garantistillelse

Selskapets aksjer er pantsatt som sikkerhet for Odfjell Technology Ltd's noterte obligasjonslån i Nordic Trustee på NOK 1 100 millioner, samt RCF på USD 25 millioner i DnB. Odfjell Technology AS er også garantist for nevnte bond- og banklån.

Konsernet Odfjell Technology har fellesregistrering knyttet til merverdiavgift for konsernets avgiftsregistrerte foretak. Selskapet inngår i denne fellesregistreringen og er således solidarisk ansvarlig for skyldig merverdiavgift i Norge.



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Enterprise 935 174 627 MVA

Til generalforsamlingen i Odfjell Technology AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert årsregnskapet for Odfjell Technology AS som består av balanse per 31. desember 2023, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2023, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke informasjonen i årsberetningen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder

Offices in:

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodø	Knaresund	Stord	Ålesund
Drammen	Kristiansund	Straume	

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vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av intern kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifierer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.

Bergen

KPMG AS

Ståle Christensen
Statsautorisert revisor
(elektronisk signert)

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Christensen, Ståle

Partner

På vegne av: KPMG AS

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ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	919 580 240
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ODFJELL TECHNOLOGY AS
Forretningsadresse:	Kokstadflaten 35 5257 KOKSTAD

Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
-------------------------	-------------------------

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Thomas Pettersen
Dato for fastsettelse av årsregnskapet:	03.05.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 18.02.2025



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Salgsinntekter	2, 3	353 517 000	277 047 000
Sum inntekter		353 517 000	277 047 000
Kostnader			
Lønnskostnad	4, 5, 6	221 595 000	165 582 000
Avskrivning	7, 8	13 961 000	37 879 000
Annen driftskostnad	9, 10	104 067 000	62 782 000
Sum kostnader		339 623 000	266 243 000
Driftsresultat		13 894 000	10 804 000
Finansinntekter og finanskostnader			
Finansinntekt	11	479 000	44 000
Sum finansinntekter		479 000	44 000
Finanskostnad	11	3 204 000	148 000
Sum finanskostnader		3 204 000	148 000
Netto finans		-2 725 000	-104 000
Ordinært resultat før skattekostnad		11 169 000	10 700 000
Skattekostnad på ordinært resultat	12	2 903 000	2 368 000
Ordinært resultat etter skattekostnad		8 266 000	8 332 000
Årsresultat	20	8 266 000	8 332 000
Overføringer og disponeringer			
Avgitt konsernbidrag	13	5 678 000	
Overføringer annen egenkapital	13	2 587 000	8 332 000
Sum overføringer og disponeringer		8 266 000	8 332 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Lisenser, software	7	91 236 000	63 079 000
Sum immaterielle eiendeler		91 236 000	63 079 000
Varige driftsmidler			
Datamaskiner, inventar og biler	8	5 859 000	3 396 000
Sum varige driftsmidler		5 859 000	3 396 000
Finansielle anleggsmidler			
Investering i datterselskap	14	10 800 000	
Pensjonsmidler	6	11 116 000	11 106 000
Sum finansielle anleggsmidler		21 916 000	11 106 000
Sum anleggsmidler		119 011 000	77 581 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	15, 16	44 592 000	22 760 000
Andre fordringer	15, 16	35 376 000	32 732 000
Sum fordringer	17	79 968 000	56 262 000
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	18	6 814 000	4 513 000
Sum omløpsmidler		86 782 000	60 776 000
SUM EIENDELER		205 792 000	138 356 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Balanse

Beløp i: NOK	Note	2022	2021
Innskutt egenkapital			
Aksjekapital	13, 19	249 000	249 000
Annen innskutt egenkapital	5, 13	24 369 000	22 433 000
Sum innskutt egenkapital		24 618 000	22 682 000
Opptjent egenkapital			
Annen egenkapital	13	57 453 000	54 869 000
Sum opptjent egenkapital		57 453 000	54 869 000
Sum egenkapital		82 071 000	77 551 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	12	2 932 000	1 630 000
Sum avsetninger for forpliktelser		2 932 000	1 630 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		2 932 000	1 630 000
Kortsiktig gjeld			
Leverandørgjeld	15, 16	13 673 000	12 760 000
Betalbar skatt	12	0	0
Skyldige offentlige avgifter		15 004 000	8 278 000
Annen kortsiktig gjeld		14 520 000	7 189 000
Annen kortsiktig gjeld	15, 16	41 926 000	38 137 000
Sum kortsiktig gjeld	17	120 790 000	59 175 000
Sum gjeld		123 722 000	60 806 000
SUM EGENKAPITAL OG GJELD		205 792 000	138 356 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 482132

Enheten

Organisasjonsnummer: 919 580 240
Organisasjonsform: Aksjeselskap
Foretaksnavn: ODFJELL TECHNOLOGY AS
Forretningsadresse: Kokstadflaten 35
5257 KOKSTAD

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av
årsregnskapet til konsernet: -

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Thomas Pettersen
Dato for fastsettelse av årsregnskapet: 03.05.2023

Grunnlag for avgivelse

År 2022: Årsregnskap er elektronisk innlevert.
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 20.06.2023



Organisasjonsnr: 919 580 240
ODFJELL TECHNOLOGY AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Salgsinntekter	2, 3	353 517 000	277 047 000
Sum inntekter		353 517 000	277 047 000
Kostnader			
Lønnskostnad	4, 5, 6	221 595 000	165 582 000
Avskrivning	7, 8	13 961 000	37 879 000
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Ordinært resultat etter skattekostnad		8 266 000	8 332 000
Årsresultat	20	8 266 000	8 332 000
Overføringer og disponeringer			
Avgitt konsernbidrag	13	5 678 000	
Overføringer annen egenkapital	13	2 587 000	8 332 000
Sum overføringer og disponeringer		8 266 000	8 332 000



Organisasjonsnr: 919 580 240
ODFJELL TECHNOLOGY AS

BALANSE

Beløp i: NOK	Note	2022	2021
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BALANSE - EIENDELER

Anleggsmidler

Immaterielle eiendeler

Lisenser, software	7	91 236 000	63 079 000
Sum immaterielle eiendeler		91 236 000	63 079 000

Varige driftsmidler

Datamaskiner, inventar og biler	8	5 859 000	3 396 000
Sum varige driftsmidler		5 859 000	3 396 000

Finansielle anleggsmidler

Investering i datterselskap	14	10 800 000	
Pensjonsmidler	6	11 116 000	11 106 000
Sum finansielle anleggsmidler		21 916 000	11 106 000

Sum anleggsmidler		119 011 000	77 581 000
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Omløpsmidler

Varer

Fordringer

Kundefordringer	15, 16	44 592 000	22 760 000
Andre fordringer	15, 16	35 376 000	32 732 000
Sum fordringer	17	79 968 000	56 262 000

Bankinnskudd, kontanter og lignende

Sum bankinnskudd, kontanter og lignende	18	6 814 000	4 513 000
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Sum omløpsmidler		86 782 000	60 776 000
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SUM EIENDELER		205 792 000	138 356 000
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BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Aksjekapital	13, 19	249 000	249 000
Annen innskutt egenkapital	5, 13	24 369 000	22 433 000
Sum innskutt egenkapital		24 618 000	22 682 000

Opptjent egenkapital

Annen egenkapital	13	57 453 000	54 869 000
Sum opptjent egenkapital		57 453 000	54 869 000



Sum egenkapital		82 071 000	77 551 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	12	2 932 000	1 630 000
Sum avsetninger for forpliktelse		2 932 000	1 630 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		2 932 000	1 630 000
Kortsiktig gjeld			
Leverandørgjeld	15, 16	13 673 000	12 760 000
Betalbar skatt	12	0	0
Skyldige offentlige avgifter		15 004 000	8 278 000
Annen kortsiktig gjeld		14 520 000	7 189 000
Annen kortsiktig gjeld	15, 16	41 926 000	38 137 000
Sum kortsiktig gjeld	17	120 790 000	59 175 000
Sum gjeld		123 722 000	60 806 000
SUM EGENKAPITAL OG GJELD		205 792 000	138 356 000



Organisasjonsnr: 919 580 240
ODFJELL TECHNOLOGY AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
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Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Ordinære aksjer	249194.00	1.00	249194.00
<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
Odfjell Technology Ltd	249194.00	100.00%	Ordinære aksjer
<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	249194.00	100.00%	

Note
4

Lønn og ytelser

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	143180277000.00	103809755000.00
<u>Arbeidsgiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	22259745000.00	16063589000.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	16324668000.00	13103093000.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	39830706000.00	32605104000.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	221595396000.00	165581541000.00

*Økning i andre ytelser relaterer seg i hovedsak til
-Velferdskostnader: økning på ca NOK 1,128 millioner -Leilighet til personell: økning på ca NOK 1,497 millioner -Kostnader knyttet til kurs: økning på ca NOK 0,302 millioner Disse postene forklarer ca NOK 2,625 millioner

Ytelser til daglig leder



Note

Ytelser til andre ledende personer

<u>Ledende person</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
Daglig leder (periode: 01.01.22 - 30.03.22)	336831000.00	136648000.00	24199000.00
Daglig leder (periode: 01.04.22 - 31.12.22)	4017861000.0	99227000.00	175454000.00
	0		
<u>Sum ytelse andre led.pers.</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
	4354692000.0	235875000.00	199653000.00
	0		

Andre godtgjørelser består av: forsikringer, firmabil/bilgodtgjørelse, telefon/it, fri avis, fordel ledsager på reise og andre naturalytelser. Selskapet er pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne loven.

Note

Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	90000000.00	39000000.00
<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	90000000.00	39000000.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
159.00

Note

Lån og sikkerhetsstillelse til ledende personer og aksjeeiere

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

Det er ikke gitt ytelser til styret for inneværende år. Det er ikke ytet lån eller stilt garantier til daglig leder, styreleder eller andre personlige nærstående parter. Se note 20 for garantier til nærstående selskaper.

Note

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Konsern, tilknyttet selskap og datterselskap



Tilknyttet selskap/datterselskap

<u>Navn og adresse</u>	<u>Eierandel</u>	<u>Stemmeandel</u>	<u>Egenkapital</u>	<u>Resultat</u>
Odfjell Technology Philippines Corp	100.00%	100.00%	22694000.00	4785000.00
Virksomheten inngår i konsolideringen til morselskapets konsernregnsk.: Nei				

Datterselskap er utelatt fra konsolideringen: Nei

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Skattemessig fremf.undersk.</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Kortsiktig gjeld</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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Odfjell Technology AS

Årsrapport for 2022

Årsberetning

Årsregnskap

- Resultatregnskap
- Balanse
- Kontantstrømoppstilling
- Noter

Revisjonsberetning



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Odfjell Technology AS

Årsberetning 2022

Odfjell Technology AS

Adresse: Kokstadflaten 35, 5257 Kokstad

Org.nr: 919 580 240 MVA

Virksomhetens art

Odfjell Technology AS er lokalisert i Bergen. Selskapet var ved utgangen av 2022 del av konsernet Odfjell Technology Ltd som driver internasjonal virksomhet innenfor managementtjenester, plattformboring, brønnservice og engineering.

Odfjell Technology AS yter tjenester innen med forretningsstøtte til andre selskaper i konsernet samt til nærstående konsern Odfjell Drilling Ltd (samme majoritetsseier) og er juridisk ansettelsesselskap for felles stabsavdelinger.

Forventet markedsutvikling

Som del av Odfjell Technology Ltd konsernet vil også Odfjell Technology AS være påvirket av svingninger innen olje- og gassindustrien som følge av endring i oljepris og etterspørsel etter bore- og brønntjenester fra oljeselskapene. Odfjell Technology Ltd konsernet har kontinuerlig fokus på kostnadsreduserende tiltak og effektiviseringsprogram for å effektivisere drift og redusere kostnader så mye som mulig. Selskapet vil også fremover fokusere på effektivisering av drift og å redusere kostnader.

Oljeservicemarkedet har utviklet seg positivt de siste årene på grunn av en sterk fokus på kostnadsdisiplin og mer effektive operasjoner, kombinert med en sunnere oljeprisutvikling. Overgangen til grønnere energikilder forventes å påvirke markedet i de kommende tiårene, men behov for fortsatt leting og produksjon av olje og gass anses som viktig, og det har blitt mer tydelig i det siste, med uroen i Europa og krigen i Ukraina.

Den generelle situasjonen for den globale oljeserviceindustrien forventes å forbedre seg som et resultat av underinvestering i olje- og gasssektoren de siste 8 årene. Tilførselen av olje og gass er for lav til å møte forventet etterspørsel. Økning i investeringer og aktivitet er avgjørende for å møte det økende energibehovet samtidig som nye energikilder tar tid å implementere.

Markedet for våre boreoperasjoner og tjenester knyttet til boring har vært stabile det siste tiår. Vi har etablert en sterk tilstedeværelse i Nordsjøen med effektiv drift og sterke kunderelasjoner, som vi forventer å utnytte ytterligere. I tillegg er det muligheter for å utvide aktiviteter til andre regioner. Ingeniørmarkedet er i bedring i eksisterende leveranser og i grønne initiativer. Vi er godt posisjonert for å vokse i eksisterende tjenester og ytterligere utvide vår portefølje av grønne tjenester.

Det vil alltid knyttes usikkerhet til vurdering av fremtidige markedsforhold. Det settes sterkt fokus på å sikre høy kvalitet og sikkerhet i de tjenestene som utføres for selskapets kunder.

Aktuell ordreservice og ingen signaler fra kunde om bruk av force majeure klausuler, gjør sitt til at selskapet i begrenset grad vurderes eksponert for bortfall av inntekter. Selskapet vil jobbe aktivt for å opprettholde omsetning i årene fremover.



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Odfjell Technology AS

Resultat, investeringer, finansiering og likviditet

Årsresultatet for Odfjell Technology AS viser et overskudd på MNOK 8,2 for 2022, sammenlignet med MNOK 8,3 i 2021. Driftsresultatet for 2022 var et overskudd på MNOK 13,9 mot MNOK 10,8 i 2021. Resultatforbedring skyldes i hovedsak økte inntekter knyttet til økt aktivitet hos selskapets kunder, samt utvidet tjenestespekter.

Ved utgangen av 2022 hadde selskapet en total kapital på MNOK 205,8. Egenkapitalen var på MNOK 82,1 og egenkapitalandelen var på 40 % pr 31.12.22. For 2021 var total kapitalen MNOK 138,4, og egenkapitalen på MNOK 77,6 utgjorde en egenkapitalandel 56,1 %.

Selskapets kortsiktige gjeld ved utgangen av 2022 var MNOK 120,8 mot MNOK 59,2 i 2021.

Økning i kortsiktig gjeld forklares i hovedsak med økning i trekk på konsernkonto i forbindelse med investering i oppgradering av ERP-system.

Samlet kontantstrøm fra operasjonelle aktiviteter for selskapet i 2022 var MNOK 9,7 mot MNOK 53,9 i 2021. Differansen fra driftsresultatet skyldes i hovedsak avskrivninger og endring i kundefordringer. Kontantstrøm fra investeringsaktiviteter var i 2022 negativ med MNOK 55,4 som følge av utbetalinger i forbindelse med erverv av varige og immaterielle driftsmidler samt kjøp av aksjer i datterselskap. Tilsvarende for 2021 var negativ med MNOK 46,6. Kontantstrøm fra finansieringsaktiviteter var i 2022 positiv med MNOK 47,9 som følge av endring gjeld knyttet til konsernkontoordning. Tilsvarende for 2021 var negativ MNOK 7,5 som følge av utbetaling av konsernbidrag.

Selskapets finansielle stilling anses som tilfredsstillende pr 31.12.2022. Styret er ikke kjent med at det har inntrådt forhold etter regnskapsårets slutt som er av betydning for bedømmelsen av selskapets og selskapets stilling.

Styret mener at det fremlagte årsregnskapet gir et rettviseende bilde over utviklingen og resultatet av foretakets virksomhet og stilling.

Finansiell risiko

Overordnet

Selskapets finansielle forpliktelser består av kortsiktig gjeld til andre konsernselskap og leverandørgjeld. Hovedformålet med disse passiva er å finansiere selskapets drift. Selskapet har finansielle eiendeler som bankinnskudd, fordring andre konsernselskaper og kundefordringer.

Kreditrisiko

Selskapet leverer tjenester til offshore olje- og gassindustri og virksomhetens kunder består i hovedsak av interne konsernselskaper og nærstående konsern, og kreditrisiko vurderes som lav.

Likviditetsrisiko

Selskapet har likviditetsrisiko knyttet til eventuelt bortfall av inntekter. Siden kunder i hovedsak består av interne konsernselskap reflekteres risikoen fra Odfjell Technology Ltd konsernet og nærstående konsern Odfjell Drilling Ltd inn i selskapet. Se også omtale under avsnittet «Forventet markedsutvikling».

Valutarisiko

Selskapet har i all hovedsak sine driftskostnader, inntekter og investeringer i norske kroner, og har følgelig lav valutarisiko.

Fortsatt drift

Årsberetningen og fremlagte årsregnskap for Odfjell Technology AS er utarbeidet under forutsetning av fortsatt drift.

I samsvar med regnskapsloven § 3-3a bekreftes det at forutsetningene om fortsatt drift er til stede. Det er etter styrets vurdering ikke knyttet usikkerhet til den fortsatte driften av selskapet.



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Odfjell Technology AS

Arbeidsmiljø

Selskapets visjon, verdier, bedriftskultur og krav til ledere er beskrevet i konsernets styrende dokumentasjon. Dokumentene skal fremstå som et grunnleggende felleseie for alle ansatte - ledere som medarbeidere - i selskapet og gi alle medarbeidere den identitet og det verdigrunnlag som skal kjennetegne Odfjell Technology AS.

Arbeidsmiljø og personale utgjør viktige deler av konsernets bærekraftstrategi. En inngående beskrivelse av prosedyrer, målsetninger og tilhørende måltall for oppnåelse kan finnes i bærekraftrapportene som er gjort offentlig tilgjengelige på konsernets nettside: www.odfjelltechnology.com.

Selskapet er en kompetanseintensiv virksomhet som er avhengig av et høyt nivå av ekspertise og teknologisk kunnskap blant sine ansatte. Virksomheten tilbyr omfattende opplæring for å sikre kontinuerlig oppdatering av kunnskap, kompetanseheving og karriereutvikling for ansatte.

Odfjell Technology AS har etablert mål for lederutvikling, og evaluering skjer gjennom årlige organisasjonsundersøkelser for alle konsernets avdelinger på land og offshore i Norge og

Antall ansatte ved utgangen av 2022 var 159 mot 118 i 2021, med en turnover på 3,61 % i 2022.

Sykefravær

Totalt sykefravær for selskapet i 2022 var 3,4 %. Oppfølging og forebygging av sykefraværet har hatt høy fokus i 2022 og vil ha det videre i 2023. Konsernet har etablert bedriftshelsetjeneste og selskapet følger opp sykemeldt personell etter de prinsipper som ligger til grunn for et inkluderende arbeidsliv.

Det er i konsernet etablert både verneombud og arbeidsmiljøutvalg med tilrettelagt opplæring for de valgte personer. Videre har konsernet eget sosial- og attføringsutvalg og AKAN utvalg.

Arbeidsmiljø:

Arbeidsmiljøet i Odfjell Technology AS ansees for å være bra, noe som avdekkes gjennom jevnlig organisasjon- og arbeidsmiljøundersøkelser for ansatte i selskapet. Gjennom undersøkelsene får selskapet verdifull informasjon om hvordan ansatte opplever arbeidsoppgaver, arbeidsprosesser, arbeidsmengde, sosialt samspill og ledelse. Den gir også informasjon om hva som krever ytterlig fokus og virkninger av forbedringstiltak. Det er et viktig verktøy for å fremme og videreutvikle et godt arbeidsmiljø.

Helse, miljø og sikkerhet

Odfjell Technology Ltd konsernet arbeider kontinuerlig for forbedringsprosesser innenfor helse, miljø og sikkerhet (QHSSE) for å forhindre situasjoner som kan få uønskede konsekvenser, og på denne måten oppnå målsetningen om null feil.

Selskapet har fokusert på følgende hovedområder innen QHSSE i 2022:

- Standardisering og forenkling av prosedyrer og arbeidsprosesser
- Arbeidsmiljø tiltak ifm hjemmekontor
- Forbedre cybersikkerhet
- Sikre kompetanse og kapasitet
- Digitalisering av verktøy og prosesser



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Odfjell Technology AS

Ytre miljø og miljørapportering

Selskapet har en gjennomgående «null feil filosofi» relatert til KHMS og uønskede hendelser. Denne filosofien omfatter også potensialet for miljøforurensning. Konsernet har som ledd i sin bærekraftstrategi fokus på utslipp til luft, sjø og land, samt håndtering av avfall. Disse fokusområdene er reflektert i konsernets HMS program som gjelder for alle selskapene i Odfjell Technology konsernet. En inngående beskrivelse av prosedyrer, målsetninger og tilhørende måltall for oppnåelse kan finnes i bærekraftrapportene som er gjort offentlig tilgjengelige på konsernets nettside, www.odfjelltechnology.com.

Selskapets virksomhet forurensrer ikke det ytre miljø.

Likestilling og diskriminering

Likestilling og anti-diskriminering er en viktig del av konsernets bærekraftstrategi. En inngående beskrivelse av prosedyrer, målsetninger og tilhørende måltall for oppnåelse kan finnes i bærekraftrapportene som er gjort offentlig tilgjengelige på konsernets nettside, www.odfjelltechnology.com.

Selskapet har krav til at all aktivitet både i Norge og internasjonalt skal gjennomføres i tråd med gjeldende lovgivning, og i henhold til selskapets etiske retningslinjer. Diskrimineringsloven inngår som en del av det regelverk som er adoptert av selskapet og innarbeidet i selskapets styrende dokumentasjon for all aktivitet i inn og utland. Selskapets vedtatte personal policy presiserer at Odfjell Technology konsernet skal rekruttere og utvikle medarbeidere basert på like muligheter og rettigheter uavhengig av etnisk bakgrunn, nasjonal opprinnelse, religion, kjønn, alder, seksuell legning, sivilstand og uførhet. Det er forbud mot diskriminering og ulike former for mobbing, trakassering og utfrysning.

Tiltak som er iverksatt for å fremme likestilling, er innlemmet i selskapets policy, der det vektlegges at alle arbeidstakere gis samme mulighet til arbeid og faglig utvikling, og likestilles med hensyn til ansettelse, lønn, opplæring og avansement. Følgelig har bedriften i sin personalpolitikk ivaretatt likestillingsperspektivet ved ansettelser, lønn, forfremmelser og kompetansegivende etter- og videreutdanning m.m.

Bedriften arbeider aktivt, målrettet og planmessig for å unngå diskriminering, både gjennom tilpasning av virksomhetens styrende dokumentasjon, gjennom opplæring og gjennomføring av tiltak. Slike tiltak omfatter blant annet rekruttering, lønns- og arbeidsvilkår, forfremmelse, utviklingsmuligheter og beskyttelse mot trakassering.

Selskapet har tilrettelagt tilgang til bedriftens styrende dokumentasjon via Odfjell Technology's intranettsider, der blant annet informasjonstilgang til selskapets styringssystem, lederhåndbok og personalhåndbok er tilgjengelig for alle ansatte. Dette er tiltak for blant annet å synliggjøre selskapets holdning til å fremme like muligheter, rettferdighet og hindre diskriminering. «Etikk og forretningskultur i Odfjell Technology» er i tillegg utgitt i brosjyreform som sendes ut ved nyansettelse. Odfjell Technology har også et varslingsystem jamfør Arbeidsmiljøloven Kapittel 2 A. Varsling.

Bedriften har som målsetning å være en arbeidsplass hvor det ikke forekommer diskriminering. Selskapet har ansatte fra ulike nasjonaliteter. Internasjonalisering og en økende andel av utenlandske arbeidstakere med ulike sosial, etnisk og kulturell bakgrunn, gjenspeiler selskapet sin mangfoldighet og flerkulturelle miljø.

Odfjell Technology AS arbeider aktivt og målrettet for å utforme og tilrettelegge de fysiske forholdene slik at virksomhetens funksjon kan benyttes av flest mulig og ved nedsatt funksjonsevne. For arbeidstakere eller arbeidssøkere med nedsatt funksjonsevne foretas det individuell tilrettelegging av arbeidsplass og arbeidsoppgaver.

Selskapet har pr utgangen av året 159 ansatte, av disse er 89 kvinner (56%).

Alle parter i bedriften har et felles ansvar for gjennomføring av likestilling og gjennom de etablerte hovedavtaler er det enighet om å legge vekt på tiltak for at kvinner og menn tildeles kvalifiserte oppgaver på lik linje, og at det gis like muligheter for avansement i virksomheten, samt rekruttering av kvinner til lederstillinger på alle nivå. I tillegg bedre fordeling og organisering av arbeidstid slik at det fremmer



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Odfjell Technology AS

likestilling. Det arbeides kontinuerlig med å rekruttere flere kvinner til høyere nivåer.

Selskapet legger vekt på en personalpolitikk som ikke diskriminerer på grunn av alder. Aldersfordelingen blant ansatte er mellom 20 og 69 år, der gjennomsnittsalderen er omtrent 45 år.

Likeverd er en integrert del av personalpolitikken og forutsetter at man ser sammenhengen mellom arbeidsliv, familieliv og samfunnsliv. I avtaler som er inngått er det presisert at likestilling er et lederansvar som handler om holdninger og normer med krav om sterk medvirkning både fra ledelsen og de tillitsvalgte.


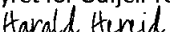


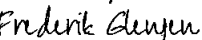
Organisasjonsfrihet og retten til kollektive forhandlinger er stadfestet i selskapets styrende dokumentasjon og følges opp kontinuerlig for alle aktiviteter. Ett av flere tiltak for å forebygge diskriminering eller urettferdighet er knyttet til bedriften sitt arbeid med et godt arbeidsmiljø.

Som et ledd i selskapets "Human Right Policy" er det også vedtatt forbud mot alle former for tvangsarbeid eller barnarbeid. All Odfjell Technology's aktivitet skal være i samsvar med internasjonalt anerkjente arbeidsstandarder innenfor områder som lønn, arbeidstid, disiplinære metoder, arbeidsavtaler og arbeidsforhold. Tilsvarende krav skal også håndheves gjennom kontrakter med leverandører, samarbeidspartnere, agenter etc. Konsernet jobber med å ferdigstille «Human rights policy» i henhold til ikrafttredelse av den nye Åpenhetsloven av 1. juli 2022, som vil være klar innen 30. juni 2023 og vil da være tilgjengelig på Odfjell Technology's offentlige webside; www.odfjelltechnology.com.

Redegjørelse i henhold til Likestillings- og diskrimineringsloven §26 er tilgjengelig på Odfjell Technology's offentlige webside; www.odfjelltechnology.com.

Styreansvarsforsikring

Det er tegnet forsikring på konsernnivå for styrets medlemmer og daglig leder for deres mulige ansvar overfor selskapet og tredjepersoner. Forsikringen er begrenset til MNOK 75 per år og per hendelse.

	Bergen, 24. april 2023 Styret for Odfjell Technology AS 	
Simen Lieungh Daglig leder / Styreleder 	Harald Asle Hereid Styremedlem 	Jone Torstensen Styremedlem
Kurt Werner Holsæter Styremedlem	Frederik Glenjen Styremedlem	



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Odfjell Technology AS

Resultatregnskap

Beløp vises i tusen kr

	Note	2022	2021
Salgsinntekter			
Salgsinntekter	2, 3	353 517	277 047
Driftskostnader			
Lønnskostnad	4, 5, 6	221 595	165 582
Avskrivning	7, 8	13 961	37 879
Annen driftskostnad	9, 10	104 067	62 782
Sum driftskostnader		<u>339 623</u>	<u>266 243</u>
Driftsresultat		<u>13 894</u>	<u>10 804</u>
Finansinntekter og finanskostnader			
Finansinntekt	11	479	44
Finanskostnad	11	<u>3 204</u>	<u>148</u>
Netto finansposter		<u>-2 725</u>	<u>-104</u>
Ordinært resultat før skattekostnad		<u>11 169</u>	<u>10 700</u>
Skattekostnad på ordinært resultat	12	<u>2 903</u>	<u>2 368</u>
Årsresultat		<u>8 266</u>	<u>8 332</u>
Overføringer og disponeringer			
Avgitt konsernbidrag	13	5 678	0
Overføringer annen egenkapital	13	<u>2 587</u>	<u>8 332</u>
Sum disponert		<u>8 266</u>	<u>8 332</u>



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Odfjell Technology AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2022	2021
Anleggsmidler			
<i>Immaterielle eiendeler</i>			
Lisenser, software	7	91 236	63 079
<i>Varige driftsmidler</i>			
Datamaskiner, inventar og biler	8	5 859	3 396
<i>Finansielle anleggsmidler</i>			
Investeringer i datterselskap	14	10 800	0
Pensjonsmidler	6	11 116	11 106
Sum finansielle anleggsmidler		<u>21 916</u>	<u>11 106</u>
Sum anleggsmidler		<u>119 011</u>	<u>77 581</u>
Omløpsmidler			
<i>Fordringer</i>			
Kundefordringer	15, 16	44 592	22 760
Fordring konsernkontoordning	17	0	771
Andre fordringer	15, 16	35 376	32 732
Sum fordringer		<u>79 968</u>	<u>56 262</u>
Bankinnskudd	18	<u>6 814</u>	<u>4 513</u>
Sum omløpsmidler		<u>86 782</u>	<u>60 776</u>
Sum eiendeler		<u>205 792</u>	<u>138 356</u>



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Odfjell Technology AS

Balanse pr. 31. desember

Beløp vises i tusen kr

	Note	2022	2021
Egenkapital			
<i>Innskutt egenkapital</i>			
Aksjekapital	13, 19	249	249
Annen innskutt egenkapital	5, 13	24 369	22 433
Sum innskutt egenkapital		24 618	22 682
<i>Opptjent egenkapital</i>			
Annen egenkapital	13	57 453	54 869
Sum egenkapital		82 071	77 551
Gjeld			
<i>Avsetninger for forpliktelser</i>			
Utsatt skatt	12	2 932	1 630
<i>Kortsiktig gjeld</i>			
Leverandørgjeld	15, 16	13 673	12 760
Betalbar skatt	12	0	0
Skylldige offentlige avgifter		15 004	8 278
Gjeld konsernkontoordning	17	50 187	0
Annen kortsiktig gjeld	15, 16	41 926	38 137
Sum kortsiktig gjeld		120 790	59 175
Sum gjeld		123 722	60 806
Sum egenkapital og gjeld		205 792	138 356

Simen Lieungh

Simen Lieungh
Daglig leder / Styreleder

Kurt Werner Holsæter
Styremedlem

Bergen, 24. april 2023

Harald Hereid

Harald Asle Hereid
Styremedlem

Frederik Glenjen

Frederik Glenjen
Styremedlem

Jone Tørstensen

Jone Tørstensen
Styremedlem



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Odfjell Technology AS

Kontantstrømoppstilling

Beløp vises i tusen kr

	Note	2022	2021
Kontantstrømmer fra operasjonelle aktiviteter			
Resultat før skattekostnad		11 169	10 700
Periodens betalte skatt		0	0
Ordinære avskrivninger	6, 7	13 961	37 879
Endring i kundefordringer og leverandørgjeld		-20 919	2 570
Forskjeller i pensjonsmidler/-forpliktelser		-10	-1 654
Endring i andre tidsavgrensningposter		9 763	5 122
Endring i kortsiktig konsernmellomværende ekskl. konsernbidrag		-6 172	-712
Kostnad aksjeopsjonsprogram		1 936	0
Netto kontantstrøm fra operasjonelle aktiviteter		9 727	53 905
Kontantstrømmer fra investeringsaktiviteter			
Utbetalinger ved kjøp av varige- og immaterielle driftsmidler	6, 7	-44 580	-46 593
Utbetalinger ved kjøp av aksjer i datterselskap	13	-10 800	0
Netto kontantstrøm fra investeringsaktiviteter		-55 380	-46 593
Kontantstrømmer fra finansieringsaktiviteter			
Inn-/utbetalinger av konsernbidrag		-3 001	-6 681
Netto endring fordring / gjeld konsernkontoordning	16	50 958	-807
Netto kontantstrøm fra finansieringsaktiviteter		47 957	-7 488
Effekt av valutakursendringer på likvider		-3	0
Netto endring i likvider i året		2 301	-176
Kontanter og bankinnskudd per 01.01		4 513	4 689
Kontanter og bankinnskudd per. 31.12		6 814	4 513



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Odfjell Technology AS

Noter til regnskapet for 2022

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Note 1 - Regnskapsprinsipper

Selskapet ble stiftet 1. september 2017. Selskapet driver virksomhet innenfor forretningsstøtte for andre selskap i både Odfjell Technology konsernet og Odfjell Drilling konsernet.

Årsregnskapet består av resultatregnskap, balanse, noteopplysninger, kontantstrømoppstilling og er avlagt i samsvar med regnskapslov og god regnskapsskikk i Norge. Norske kroner benyttes som funksjonell og rapporterings valuta i regnskapet.

Selskapet har i starten av 2022 vært en del av Odfjell Drilling konsernet. Fra 28. februar 2022 har selskapet vært en del av Odfjell Technology konsernet. Det ultimate morselskap pr. 31. desember 2022 er Odfjell Technology Ltd som har forretningskontor i Aberdeen, Scotland.

Konsernregnskapet er tilgjengelig på selskapets hjemmeside www.odfjelltechnology.com.

Salgsinntekter

Inntekter fra salg av tjenester resultatføres når levering har funnet.

Aksjeopsjoner

Konsernet har aksjeopsjonsprogrammer for selskapets ledelse. Programmene måles til virkelig verdi på tildelingsdatoen. Opsjonsprogrammet for selskapets øverste ledelse er en ordning med oppgjør i aksjer. Virkelig verdi av tildelte opsjoner periodiseres over den periode de ansatte innviner rett til å motta opsjonene, hvilket vil si over den avtalte fremtidige tjenestetiden.

Kostnaden ved aksjebaserte transaksjoner med ansatte innregnes som en kostnad over gjennomsnittlig innvinningsperiode. For transaksjoner som gjøres opp i selskapets egenkapitalinstrumenter (ordninger med oppgjør i aksjer) regnskapsføres verdien av de tildelte opsjonene i perioden som en lønnskostnad i resultatet og med motpost annen innskutt egenkapital.

Arbeidsgiveravgift på opsjoner betalinger innregnes i resultatet over forventet opptjeningsperiode.

Bruk av estimer

Ledelsen har brukt estimer og forutsetninger som har påvirket resultatregnskapet og verdsettelsen av eiendeler og gjeld, samt usikre eiendeler og forpliktelser på balansedagen under utarbeidelsen av årsregnskapet i henhold til god regnskapsskikk.

Valuta

Pengeposter i utenlandsk valuta er vurdert til kursen ved regnskapsårets slutt.

Periodisering

Inntekter og kostnader periodiseres i den perioden tjenesten er utført.



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Odfjell Technology AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Skatter

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22% på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet og nettoført. Netto utsatt skattefordel balanseføres i den grad det er sannsynlig at denne kan bli nyttiggjort.

Klassifisering og vurdering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter balansedagen. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Anleggsmidler med begrenset økonomisk levetid avskrives planmessig. Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Varige driftsmidler

Varige driftsmidler balanseføres og avskrives lineært over driftsmidlets forventede levetid. Vesentlige driftsmidler som består av betydelige komponenter med ulik levetid er dekomponert med ulik avskrivningstid for de ulike komponentene. Direkte vedlikehold av driftsmidler kostnadsføres løpende under driftskostnader, mens påkostninger eller forbedringer tillegges driftsmidlets kostpris og avskrives i takt med driftsmidlet. Dersom gjenvinnbart beløp av driftsmiddelet er lavere enn balanseført verdi foretas nedskrivning til gjenvinnbart beløp. Gjenvinnbart beløp er det høyeste av netto salgsverdi og verdi i bruk. Verdi i bruk er nåverdien av de fremtidige kontantstrømmene som eiendelen forventes å generere.

Immaterielle eiendeler

Immaterielle eiendeler som er kjøpt separat måles ved førstegangs innregning til kost. I senere perioder regnskapsføres immaterielle eiendeler til kost fratrukket akkumulerte av- og nedskrivninger.

Immaterielle eiendeler med bestemt levetid avskrives over utnyttbar levetid. Utnyttbar levetid og avskrivningsmetode for immaterielle eiendeler med bestemt levetid vurderes minst én gang i året. Lineære avskrivninger brukes for de fleste immaterielle eiendeler da dette best reflekterer forbruket av eiendelene. Gevinst eller tap ved avgang av immaterielle eiendeler beregnes som differansen mellom netto salgsinntekt og eiendelens regnskapsførte verdi, og rapporteres som inntekter og kostnader på separate linjer i resultatregnskapet.

Fordringer

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene.



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Odfjell Technology AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Pensjoner

Pensjonskostnader og pensjonsforpliktelser beregnes etter lineær opptjening basert på forventet sluttlønn. Beregningen er basert på en rekke forutsetninger herunder diskonteringsrente, fremtidig regulering av lønn, pensjoner og ytelser fra folketrygden, fremtidig avkastning på pensjonsmidler samt aktuariemessige forutsetninger om dødelighet og frivillig avgang. Pensjonsmidler er vurdert til virkelig verdi og fratrasket i netto pensjonsforpliktelser i balansen. Endringer i forpliktelsen som skyldes endringer i pensjonsplaner fordeles over antatt gjenværende opptjeningstid. Endringer i forpliktelsen og pensjonsmidlene som skyldes endringer i og avvik i beregningsforutsetningene (estimatendringer) fordeles over antatt gjennomsnittlig gjenværende opptjeningstid hvis avvikene ved årets begynnelse overstiger 10 % av det største av brutto pensjonsforpliktelser og pensjonsmidler.

Kontantstrømoppstilling

Kontantstrømoppstillingen er utarbeidet etter den indirekte metode. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige, likvide plasseringer.

Reklassifisering

Ved reklassifisering av resultat- og balanseposter omarbeides sammenligningstallene tilsvarende.

Datterselskap

Datterselskapet vurderes etter kostmetoden i selskapsregnskapet. Investeringen er vurdert til anskaffelseskost for aksjene med mindre nedskrivning har vært nødvendig. Det er foretatt nedskrivning til virkelig verdi når verdifall skyldes årsaker som ikke kan antas å være forbigående og det må anses nødvendig etter god regnskapsskikk. Nedskrivninger er reversert når grunnlaget for nedskrivning ikke lenger er til stede.

Utbytte og andre utdelinger er inntektsført samme år som det er avsatt i datterselskapet. Overstiger utbytte andel av tilbakeholdt resultat etter kjøpet, representerer den overskytende del tilbakebetaling av investert kapital, og utdelingene er fratrasket investeringsverdi i balansen.

Leasing / leieavtaler

Operasjonell leasing kostnadsføres som driftskostnad basert på fakturert leasingleie.

Note 2 - Salgsinntekter

Beløp vises i tusen kr

	2022	2021
<i>Pr. virksomhetsområde</i>		
Ledelses- og administrasjonstjenester / støttetjeneste	347 556	274 725
Teknisk management	2 900	1 900
Utleie personell	3 061	423
Sum	353 517	277 047

Selskapets driftsinntekter er i hovedsak knyttet til aktivitet utført i Norge.



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Odfjell Technology AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 3 - Nærstående transaksjoner - Inntekt fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser. I noten er det delt mellom inntekter i samme konsern og inntekter fra nærstående konsern (samme majoritetseier), samt inntekter fra joint venture.

Beskrivelse nærstående part	Type transaksjon	2022	2021
OT Ltd Group - konsernselskap	Administrasjonstjenester	178 114	111 589
OD Ltd Group - nærstående part	Administrasjonstjenester	168 731	161 308
OOW AS - joint venture	Administrasjonstjenester	6 225	2 258
Sum		353 070	275 154

For kjøp/kostnad fra nærstående parter, se note 10.

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group) samt nærstående til joint venture Odfjell Oceanwind AS (OOW AS).



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Odfjell Technology AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 4 - Lønnskostnader, antall ansatte, lån til ansatte og godtgjørelse til revisor

Beløp vises i tusen kr

Lønnskostnader	2022	2021
Lønninger	143 180	103 810
Arbeidsgiveravgift	22 260	16 064
Pensjonskostnader, se note 6	16 325	13 103
Andre ytelser*	5 874	2 086
Innleid personell	32 020	30 519
Kostnad aksjeopsjonsprogram, se note 5	1 936	0
Sum	221 595	165 582

Selskapet har i regnskapsåret sysselsatt totalt 159 årsverk.

*Økning i andre ytelser relaterer seg i hovedsak til

-Velferdskostnader: økning på ca NOK 1,128 millioner

-Leilighet til personell: økning på ca NOK 1,497 millioner

-Kostnader knyttet til kurs: økning på ca NOK 0,302 millioner

Disse postene forklarer ca NOK 2,625 millioner

Ytelser til ledende personer

	Lønn	Pensjonsutgifter	Andre godtgjørelser
Daglig leder (periode: 01.01.22 - 30.03.22)	337	137	24
Daglig leder (periode: 01.04.22 - 31.12.22)	4 018	99	175
Total ytelse	4 355	236	200

Andre godtgjørelser består av: forsikringer, firmabil/bilgodtgjørelse, telefon/it, fri avis, fordel ledsager på reise og andre naturalytelser.

Selskapet er pliktig til å ha tjenstepensjonsordning etter lov om obligatorisk tjenstepensjon. Selskapets pensjonsordning tilfredsstiller kravene i denne loven.

Lån og sikkerhetsstillelse til ledende ansatte, tillitsvalgte og aksjeeiere mv.

Det er ikke gitt ytelser til styret for inneværende år.

Det er ikke ytet lån eller stilt garantier til daglig leder, styreleder eller andre personlige nærstående parter. Se note 20 for garantier til nærstående selskaper.

Godtgjørelse til revisor er fordelt på følgende:	2022	2021
Lovpålagt revisjon	90	39

Merverdiavgift er ikke inkludert i revisjonshonoraret.



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Odfjell Technology AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 5 - Aksjebasert betaling

Beløp vises i tusen kr

Konsernet har aksjeopsjonsprogrammer for selskapets ledelse. Programmene måles til virkelig verdi på tildelingsdatoen. Opsjonsprogrammet for selskapets verste ledelse er en ordning med oppgjør i aksjer. Virkelig verdi av tildelte opsjoner periodiseres over den periode de ansatte innviner rett til å motta opsjonene, hvilket vil si over den avtalte fremtidige tjenestetiden.

Kostnaden ved aksjebaserte transaksjoner med ansatte innregnes som en kostnad over gjennomsnittlig innvinningsperiode. For transaksjoner som gjøres opp i selskapets egenkapitalinstrumenter (ordninger med oppgjør i aksjer) regnskapsføres verdien av de tildelte opsjonene i perioden som en innskutt egenkapital og med motpost annen innskutt egenkapital.

Arbeidsgiveravgift på opsjonene innregnes i resultatet over forventet opptjeningsperiode.

Detaljer vedrørende aksjeopsjonsprogrammet:

27. juni 2022 implementerte selskapet en langsiktig incentiv plan for ledende ansatte. Totalt 1 275 000 aksjeopsjoner har blitt tildelt ledende ansatte i selskapet med en innløsningspris på NOK 22,31 per aksjeopsjon.

Aksjeopsjonene kan bare bli utøvd i 3 like deler, i år 2, 3 og 4 etter utstedelsesdato. Aksjeopsjonene kan bli utøvd i etterfølgende år. Aksjeopsjoner som ikke er utøvd i de første 2 årene etter utstedelsesdato kan bli rullert frem til neste år. Aksjeopsjoner som ikke er utøvd innen sluttperioden som er 3. kvartal i 2025, vil bli slettet.

Oversikt utestående aksjeopsjoner	2022	2021
Utestående opsjoner 1.1	0	0
Tildelte opsjoner	1 275	0
Tapte opsjoner	0	0
Utøvd opsjoner	0	0
Utgåtte opsjoner	0	0
Utestående opsjoner 31.12	1 275	0

Virkelig verdi på opsjonene er estimert ved hjelp av Black and Scholes opsjonsprisindeksmodell. Gjennomsnittlig virkelig verdi av tildelte opsjoner i 2022 er NOK 8,90. Total kostnad på aksjeopsjonsprogrammet er beregnet ved bruk av virkelig verdi per opsjon (NOK 8,90 / pr opsjon) multiplisert med antall opsjoner (1 275 000). Total kostnad tilsvarer omtrent NOK 11,3 mill. og kostnadsføres over opsjonens levetid, forventet frem til juli 2025. Kostnadsført knyttet til aksjeopsjoner i 2022 er MNOK 1,936 se for øvrig note 4.

Følgende forutsetninger er lagt til grunn for beregningen:

Aksjekurs på tildelingstidspunkt
Aksjeprisen er satt lik børskursen på tildelingstidspunktet.

Innløsningskurs pr. opsjon
Innløsningsprisen er NOK 22,31 per opsjon.

Volatilitet
Det er forutsatt at historisk volatilitet er en indikasjon på fremtidig volatilitet.
Forventet volatilitet er derfor satt lik historisk volatilitet som tilsvarer en



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Odfjell Technology AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

volatilitet på 55 %.

Opsjonens levetid

Opsjonens forventede løpetid er 3 år.

Utbytte

Forventet utbytte per aksje er NOK 0 pr. år.

Risikofri rente

Risikofri rente som er lagt til grunn for beregning av opsjoner er på 3,67 % for 2022.

Note 6 - Pensjoner

Beløp vises i tusen kr

Selskapet er pliktig til å ha tjenstepensjonsordning etter lov om obligatorisk tjenstepensjon, og selskapet har tjenesteordninger som oppfyller kravene etter denne loven.

Selskapet har en kollektiv innskuddsbasert ordning med sparedel og tilhørende risikodekning av uføre-, ektefelle- og barnepensjon. Denne ordningen omfatter 140 personer pr. 31.12.2022 (98 personer pr. 31.12.2021).

Selskapet har i tillegg en lukket kollektiv ytelsesbasert pensjonsordning som omfatter i alt 16 aktive og 8 pensjonister pr. 31.12.2022 (17 aktive og 4 pensjonister pr. 31.12.2021). Ordningen er forsikret i porteføljen til DNB Liv ASA. Ordningen gir rett til definerte fremtidige ytelser. Disse er i hovedsak avhengig av antall opptjeningsår, lønnsnivå ved oppnådd pensjonsalder og størrelsen på ytelsene fra folketrygden. I tilknytning til ytelsesordningen har selskapet risikodekning av uføre-, ektefelle- og barnepensjon.

Forpliktelser i AFP-ordning

Selskapet er medlem av den AFP-ordningen. AFP-ordningen er en ordning som gir livslangt tillegg på den ordinære pensjonen. De ansatte kan velge å ta ut den nye AFP-ordningen fra og med fylte 62 år. Den nye AFP-ordningen er en ytelsesbasert flerforetakspensjonsordning og finansieres gjennom premier som fastsettes som en prosent av lønn. Foreløpig foreligger ingen pålitelig måling og allokering av forpliktelse og midler i ordningen. Regnskapsmessig blir ordningen behandlet som en innskuddsbasert pensjonsordning hvor premiebetalingene kostnadsføres løpende, og ingen avsetning foretas i regnskapet.

I 2022 utgjorde premien 2,6 % av lønn mellom 1G og 7,1G. Premiesatsen vil være uendret i 2023.

Selskapet har et pensjonsløfte overfor de ansatte på inntil 1G årlig i perioden 62-67 år ved fratredelse av stilling, forutsatt at de tilfredsstiller kravene til å motta ny AFP. Sannsynligheten for uttak er så lav at forpliktelsen ikke er balanseført. Ved faktisk uttak av gavepensjon blir totalkostnad kostnadsført umiddelbart.



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Odfjell Technology AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

	2022	2021
Nåverdi av årets pensjonsopptjening	1 825	1 912
Rentekostnad av pensjonsforpliktelsen	850	819
Avkastning på pensjonsmidler	-1 401	-1 119
Administrasjonskostnader	518	456
Resultatført estimatavvik	2 282	1 996
Periodisert arbeidsgiveravgift	253	292
Netto pensjonskostnad ytelsesordning	4 327	4 357
Kostnad risikodekninger og utløsning gavepensjon	863	136
Kostnad innskuddspensjon inkludert risikodekning	9 047	7 080
Kostnad flerforetaksordning bokført som innskuddsbasert (AFP)	2 088	1 530
Netto pensjonskostnad	16 325	13 103

	2022	2021
Påløpte pensjonsforpliktelser pr. 31.12	68 942	56 963
Pensjonsmidler (til markedsverdi) pr. 31.12	-59 660	-47 922
Netto pensjonsforpliktelser pr.31.12 eksl. arbeidsgiveravgift	9 282	9 041
Ikke resultatført virkning av estimatavvik	-21 706	-21 421
Arbeidsgiveravgift	1 309	1 275
Netto pensjonsforpliktelse (+) / midler (-)	-11 116	-11 106

Økonomiske forutsetninger:	2022	2021
Diskonteringsrente	3,20%	1,50%
Forventet lønnsregulering/pensjonsøkning/G-regulering	3,75%	2,50%
Forventet avkastning på fondsmidler	4,90%	2,90%
Regulering av folketrygdens grunnbeløp	3,50%	2,25%

Som aktuariemessig forutsetninger for demografiske faktorer og avgang er lagt til grunn vanlig benyttede forutsetninger innen forsikring.

Note 7 - Immaterielle eiendeler

Beløp vises i tusen kr

	Lisenser, software
Anskaffelseskost pr 01.01.	239 721
Tilgang kjøpte eiendeler	40 273
Anskaffelseskost 31.12.	279 994
Akk.avskrivninger 31.12.	-188 759
Balanseført verdi pr.31.12.	91 236
Årets avskrivninger	12 117
Økonomisk levetid	7 år
Avskrivningsplan	Lineær



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Odfjell Technology AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 8 - Varige driftsmidler

Beløp vises i tusen kr

	Datamaskiner, inventar og biler
Anskaffelseskost 01.01.	32 540
Tilgang kjøpte driftsmidler	4 409
Avgang solgte driftsmidler	0
Anskaffelseskost 31.12.	36 949
Akk.avskrivning 31.12.	-31 090
Balanseført pr. 31.12.	5 859
Årets avskrivninger	1 844
Økonomisk levetid	3 -5 år
Avskrivningsplan	Lineær

Note 9 - Driftskostnader

Beløp vises i tusen kr

	2022	2021
Innleide tjenester og underleveranser	1 012	1 452
IT-utstyr og inventar	10 178	7 020
Reparasjon og vedlikehold IT utstyr	40 063	34 363
Kurskostnader	234	124
Transport og frakt	21	13
Kostnader kontorlokaler	19 830	4 056
Reisekostnader	4 916	707
IT-konsulentttjenester	11 744	8 860
Andre drifts- og administrasjonskostnader	16 070	6 189
Sum	104 068	62 782



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Odfjell Technology AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 10 - Nærstående transaksjoner - Kjøp/kostnad fra nærstående parter

Beløp vises i tusen kr

Selskapet har hatt flere forskjellige transaksjoner med nærstående parter. Alle transaksjoner er foretatt som del av den ordinære virksomheten og til markedspriser. I noten er det delt mellom inntekter i samme konsern og inntekter fra nærstående konsern (samme majoritetseier), samt inntekter fra joint venture.

Beskrivelse nærstående part	Type transaksjon	2022	2021
OT Ltd Group - konsernselskap	Innleide personelltjenester	24 514	20 831
OD Ltd Group - nærstående part	Innleide personelltjenester	128	1 041
OD Ltd Group - nærstående part	Kostnad lokaler	5 875	0
OOW AS - joint venture	Innleide personelltjenester	251	0
Sum		30 767	21 872

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group) samt nærstående til joint venture Odfjell Oceanwind AS (OOW AS).

Note 11 - Finansinntekter og kostnader

Beløp vises i tusen kr

Finansinntekter	2022	2021
Renteinntekter	479	44
Sum finansinntekter	479	44
Finanskostnader	2022	2021
Rentekostnader	-861	-42
Netto valutap	-2 314	-106
Andre finanskostnader	-29	0
Sum finanskostnader	-3 204	-148
Netto finans	2022	2021
Netto finans	-2 725	-104
Sum netto finans (+ inntekt / - kostnad)	-2 725	-104



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Odfjell Technology AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 12 - Skatt

Beløp vises i tusen kr

<i>Årets skattekostnad fordeler seg på:</i>	2022	2021
Betalbar skatt	1 605	3 004
For mye (lite) avsatt tidligere år	-3	0
Endring utsatt skatt	1 301	-636
Årets totale skattekostnad	<u>2 903</u>	<u>2 368</u>
<i>Beregning av årets skattegrunnlag:</i>	2022	2021
Ordinært resultat før skattekostnad	11 169	10 700
Permanente forskjeller	2 041	62
Endring i midlertidige forskjeller	-5 929	2 891
Alminnelig inntekt	<u>7 280</u>	<u>13 653</u>
Mottatt konsernbidrag	0	63 955
Ytet konsernbidrag	-7 280	-77 594
Andre inntekter	<u>0</u>	<u>-15</u>
Årets skattegrunnlag	<u>0</u>	<u>-1</u>
Betalbar skatt (22%) av årets skattegrunnlag	0	0
<i>Oversikt over midlertidige forskjeller</i>	2022	2021
Driftsmidler inkl goodwill	2 211	-3 709
Netto pensjonsmidler	<u>11 116</u>	<u>11 106</u>
Sum	<u>13 326</u>	<u>7 397</u>
Andre forskjeller	<u>0</u>	<u>14</u>
Netto midlertidige forskjeller pr 31.12	<u>13 326</u>	<u>7 411</u>
Utsatt skattefordel/Utsatt skatt (22%)	2 932	1 630
<i>Oversikt over permanente forskjeller</i>	2022	2021
Ikke fradragsberettigede representasjonskostnader	37	13
Ikke fradragsberettigede kontingenter	68	49
Rentekostnad på utlignet skatt	0	0
Kostnad aksjeopsjonsprogram, se note 5	<u>1 936</u>	<u>0</u>
Sum permanente forskjeller	<u>2 041</u>	<u>62</u>
<i>Forklaring til hvorfor årets skattekostnad ikke utgjør 22% av resultat før skatt</i>	2022	
22% skatt av resultat før skatt	2 457	
For mye/lite avsatt tidligere år	-3	
Permanente forskjeller (22%)	<u>449</u>	
Beregnet skattekostnad	<u>2 903</u>	
Effektiv skattesats *)	26 %	

*) Skattekostnad i forhold til resultat før skatt



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Odfjell Technology AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 13 - Egenkapital

Beløp vises i tusen kr

	Aksjekapital	Annen innskutt egenkapital	Annen egenkapital	Sum
Egenkapital 01.01.	249	22 433	54 869	77 551
Årsresultat	0	0	8 262	8 262
Avgitt konsernbidrag	0	0	-5 678	-5 678
Aksjeopsjonsprogram, se note 5	0	1 936	0	1 936
Egenkapital 31.12.	249	24 369	57 453	82 071

Note 14 - Datterselskap

Beløp vises i tusen kr

Selskap	Anskaffelses- år	Kontor Manila, Filippinene	Eier- andel	Stemme- andel	Resultat 2022	Egenkapital pr. 31.12	Bokført verdi pr. 31.12
Odfjell Technology Philippines Corp	2022	Filippinene	100 %	100 %	4 785	22 694	10 800

Note 15 - Kundefordringer, andre kortsiktige fordringer, leverandørgjeld og annen kortsiktig gjeld

Beløp vises i tusen kr

<i>Kundefordringer</i>	2022	2021
Kundefordringer - brutto beløp	1 180	674
Avsetning tap på krav	0	0
Kundefordringer - konsern, se note 16	43 412	22 086
Netto bokført verdi kundefordringer	44 592	22 760
<i>Andre fordringer</i>	2022	2021
Andre kortsiktige fordringer konsern, se note 16	13 541	16 419
Fordring merverdiavgift	0	3 593
Andre kortsiktige fordringer	21 835	12 720
Sum andre kortsiktige fordringer	35 376	32 732
<i>Leverandørgjeld</i>	2022	2021
Leverandørgjeld - ekstern	-10 102	-10 204
Leverandørgjeld - konsern, se note 16	-3 570	-2 556
Sum leverandørgjeld	-13 673	-12 760
<i>Annen kortsiktig gjeld</i>	2022	2021
Kortsiktig gjeld til konsern, se note 16	-12 464	-17 234
Påløpt lønn og feriepengar	-14 943	-13 714
Andre påløpte kostnader	-14 520	-7 189
Sum annen kortsiktig gjeld	-41 926	-38 137



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Odfjell Technology AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 16 - Mellomværende med selskap i samme konsern m.v

Beløp vises i tusen kr

Fordringer og gjeld mellom konsernselskaper (samme konsern) og konsernselskaper (nærstående konsern) knytter seg til den løpende drift og konsernbidrag. Konsernmellomværende er gjengitt på egne linjer i balansen.

<i>Kortsiktige driftsrelaterte fordringer</i>	2022	2021
OT Ltd Group - konsernselskap	30 993	10 151
OD Ltd Group - nærstående part	25 960	14 284
Sum driftsrelaterte fordringer	56 953	24 435
<i>Kortsiktig driftsrelatert gjeld</i>	2022	2021
OT Ltd Group - konsernselskap	-2 634	-2 362
OD Ltd Group - nærstående part	-6 120	-358
Sum driftsrelatert gjeld	-8 754	-2 720
<i>Konsernbidrag</i>	2022	2021
Avgitt konsernbidrag Odfjell Offshore Ltd.	-7 280	-17 071
Mottatt konsernbidrag Odfjell Well Services Norway AS	0	3 166
Mottatt konsernbidrag Odfjell Engineering AS	0	2 613
Mottatt konsernbidrag Odfjell Operations AS	0	8 292
Sum konsernbidrag (mottatt + / avgitt -)	-7 280	-3 001
<i>Kortsiktige driftsrelaterte fordringer - joint venture</i>	2022	2021
OOW AS - joint venture	452	0
Sum driftsrelaterte fordringer - joint venture	452	0

Selskapet er en del av konsernet Odfjell Technology Ltd (OT Ltd Group) og inngår i konsolidert konsernregnskap. OT Ltd Group er nærstående til konsernet Odfjell Drilling Ltd (OD Ltd Group) samt nærstående til joint venture Odfjell Oceanwind AS (OOW AS).

Note 17 - Konsernkontoordning

Beløp vises i tusen kr

Selskapets driftskontoer inngår i konsernkontoordning hvor Odfjell Technology Ltd per 31.12.2022 er konsernkontoeier og således eier av bankmidlene. Konsernkontosystemet er opprettet for å bidra til en optimal likviditetsstyring i Odfjell Technology Ltd. konsernet. Selskapet har solidaransvar for innskudd i konsernkontoordning, og har ikke separatistrettighet for midler som inngår i konsernkontoordningen. Netto innstående på konsernkontoordningen klassifiseres som annen kortsiktig fordring i balansen, mens netto trekk er klassifisert som annen kortsiktig gjeld og er vist på egen linje i balansen.

	2022	2021
Bankinnskudd USD	-5 653	-9 739
Bankinnskudd NOK	-44 534	10 510
Sum fordring/(gjeld) konsernkontoordning	-50 187	771



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Odfjell Technology AS

Noter til regnskapet for 2022

Beløp vises i tusen kr

Note 18 - Bankinnskudd

Beløp vises i tusen kr

	2022
Bundne skattetrekksmidler utgjør	6 814

Note 19 - Aksjekapital og aksjonærinformasjon

Beløp vises i tusen kr

Aksjekapitalen består av:

	Antall	Pålydende	Balanseført
Ordinære aksjer	249 194	1	249

Oversikt over aksjonærene i selskapet pr. 31.12:

	Ordinære aksjer	Eier- andel	Stemme- andel
Odfjell Technology Ltd	249 194	100 %	100 %

Note 20 - Garantistillelse

Selskapets aksjer er pantsatt som sikkerhet for Odfjell Technology Ltd's noterte obligasjonslån i Nordic Trustee på NOK 1 100 millioner, samt RCF på USD 25 millioner i DnB. Odfjell Technology AS er også garantist for nevnte bond- og banklån.

Konsernet Odfjell Technology har fellesregistrering knyttet til merverdiavgift for konsernets avgiftsregistrerte foretak. Selskapet inngår i denne fellesregistreringen og er således solidarisk ansvarlig for skyldig merverdiavgift i Norge.



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Til generalforsamlingen i Odfjell Technology AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert årsregnskapet for Odfjell Technology AS som består av balanse per 31. desember 2022, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2022, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen og annen øvrig informasjon som er publisert sammen med årsregnskapet. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker verken informasjonen i årsberetningen eller annen øvrig informasjon.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen og annen øvrig informasjon. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen, annen øvrig informasjon og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen og annen øvrig informasjon ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen eller annen øvrig informasjon fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Offices in:

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodø	Knaresund	Stord	Ålesund
Drammen	Kristiansand	Straume	

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Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av intern kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimaterne og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.

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Bergen, 30. april 2023
KPMG AS

Ståle Christensen
Statsautorisert revisor
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