

Odfjell Technology Investor Presentation

# Q1 2025 Quarterly Results

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# Agenda

- Highlights of the quarter
- Market outlook
- Backlog and order intake
- Our priorities
- Financial information
- Summary
- Appendix


# Odfjell Technology at a glance

An oil service company providing expert services, advanced technology, and skilled professionals







**50**  
Years  
Experience




**30+**  
Countries




**13**  
Workshops




**2,500**  
Employees




**350**  
Engineers




**1,400**  
Rig/Offshore



**0.9x**  
Leverage  
Ratio

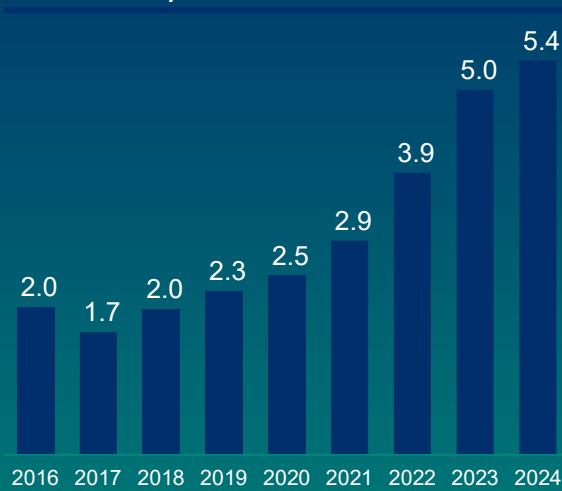


**4.6 bnNOK**  
Equipment  
pool



**13.1 bnNOK**  
Backlog

Revenue by Year (bnNOK)



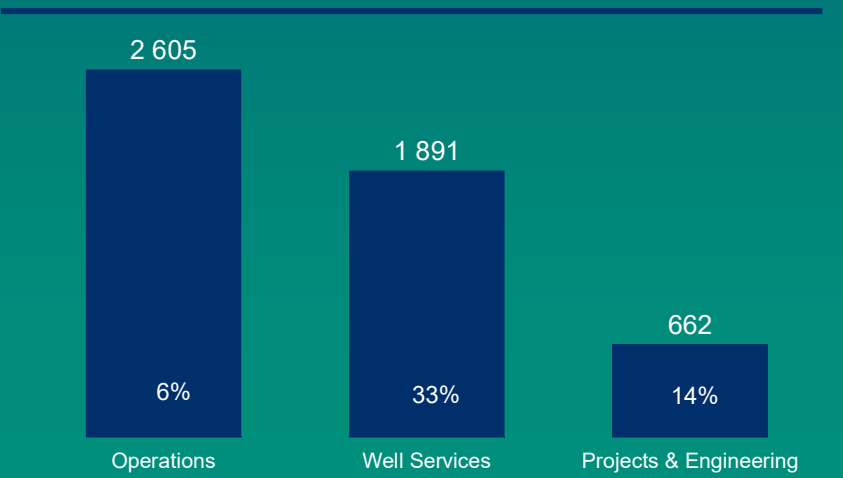
Global presence



EBITDA by Year (mNOK)



Revenue and margin by Business Areas 2024 (mNOK)



1. Value of equipment pool based on accumulated cost of active tools.  
2. Leverage ratio as of Q1 2025

A photograph of three workers in orange safety gear and hard hats, looking off to the side. The image is semi-transparent and serves as a background for the title text.

# Highlights of the quarter and key financials

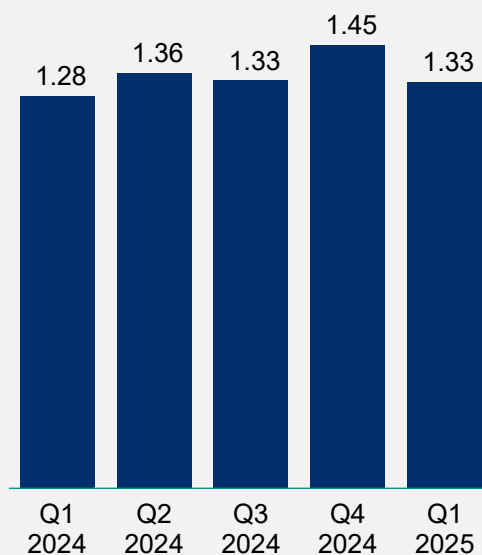
# Highlights and key financials

A steady start to the year with margin improvements.

Progressing with improvement initiatives and our main priorities.



## Revenue (bnNOK)

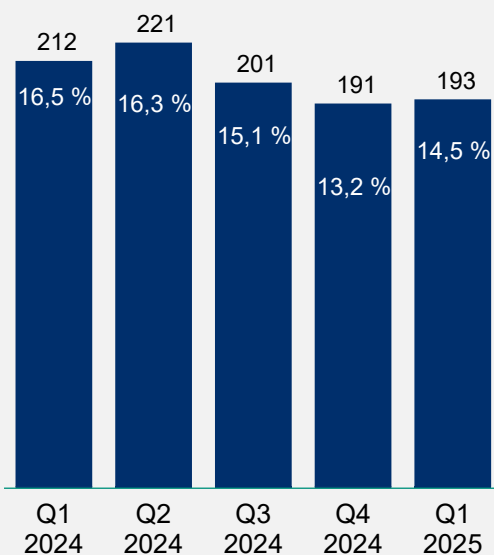


**1.33bn**

Revenue Q1

5.5bnNOK Revenue LTM

## EBITDA (mNOK)

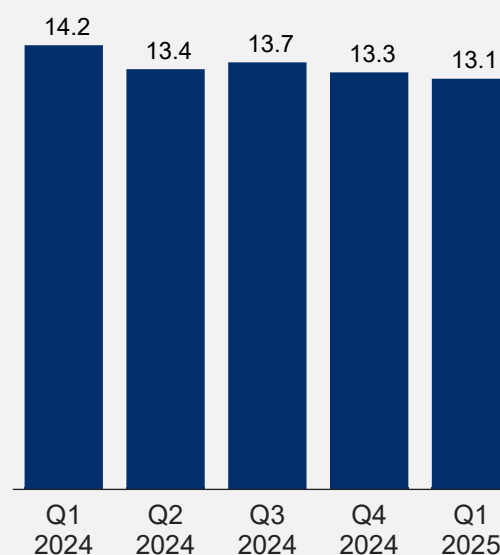


**193m**

EBITDA Q1

806mNOK EBITDA LTM

## Order Backlog (bnNOK)

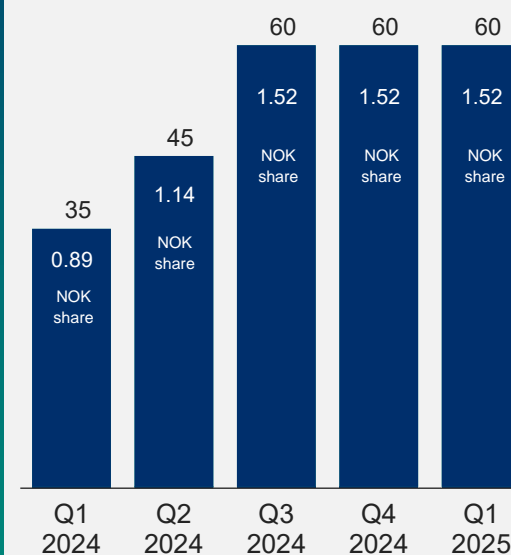


**13.1bn**

Backlog Q1

845mNOK Contract awards Q1

## Dividends (mNOK)



**60m**

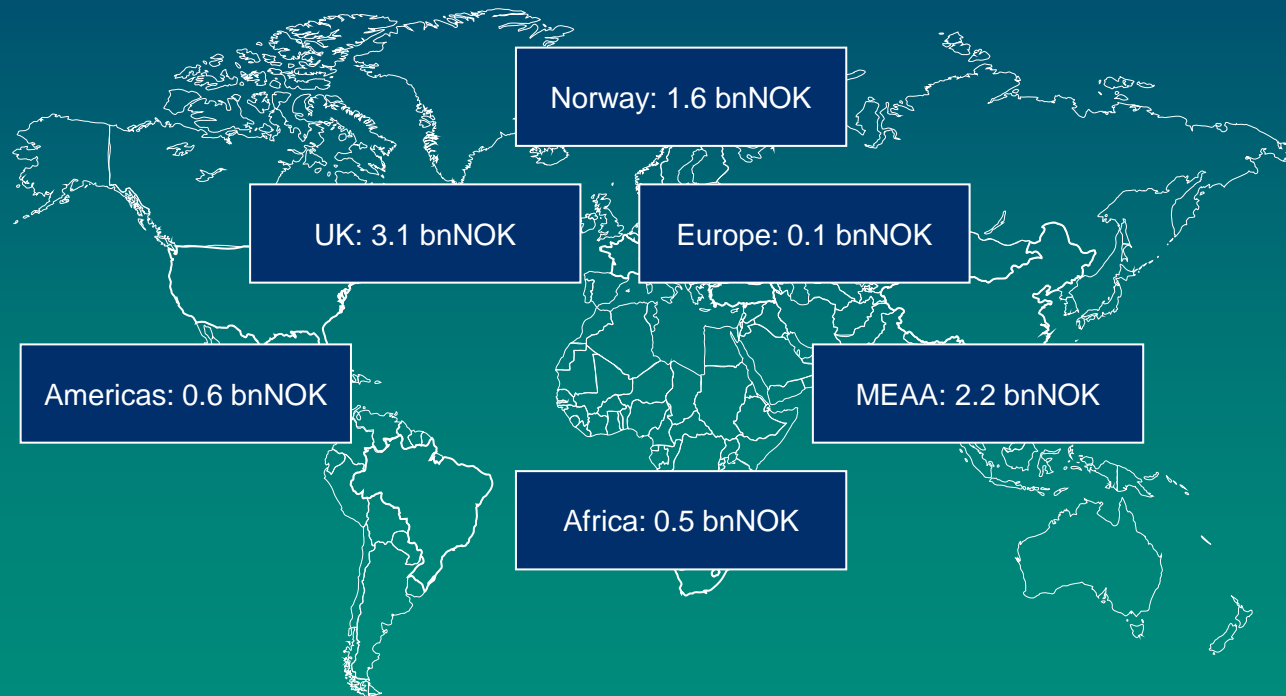
Dividend Q1

14% implied annualised direct yield Q1

# Market outlook

Robust long-term fundamentals

Healthy tender pipeline valued at a total of 8.1 billion NOK<sup>1</sup>



## Outlook comments

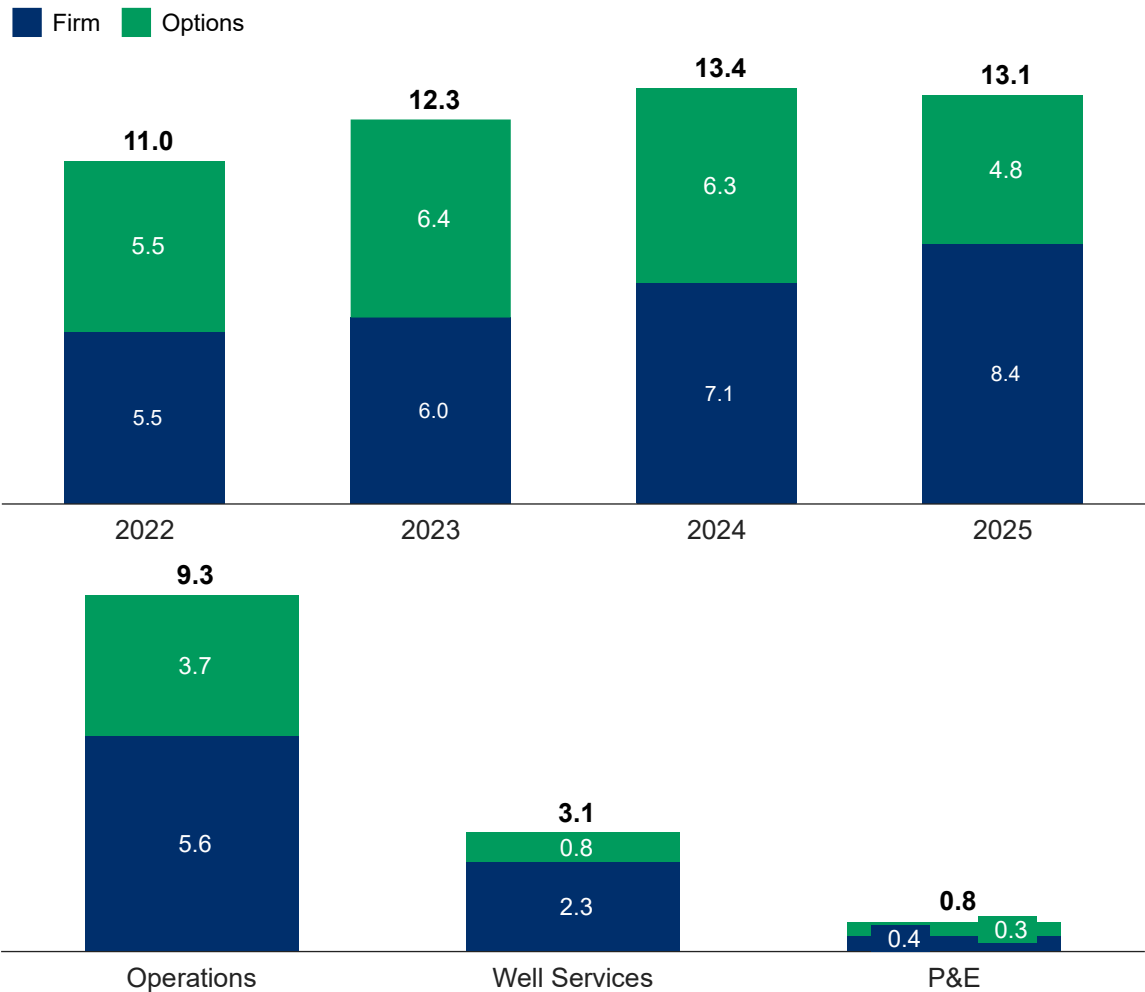
- Solid backlog and strong contract portfolio
- Expect higher activity from Q3 2025
- Well positioned for growth in existing and new regions with high tender activity in South-America, Western-Africa, Middle East and Asia
- Stable markets expected in Norway and UK
- Growth opportunities in the P&A market

1. Tender value based on weighted value for opportunities with expected startup in 2025-2026

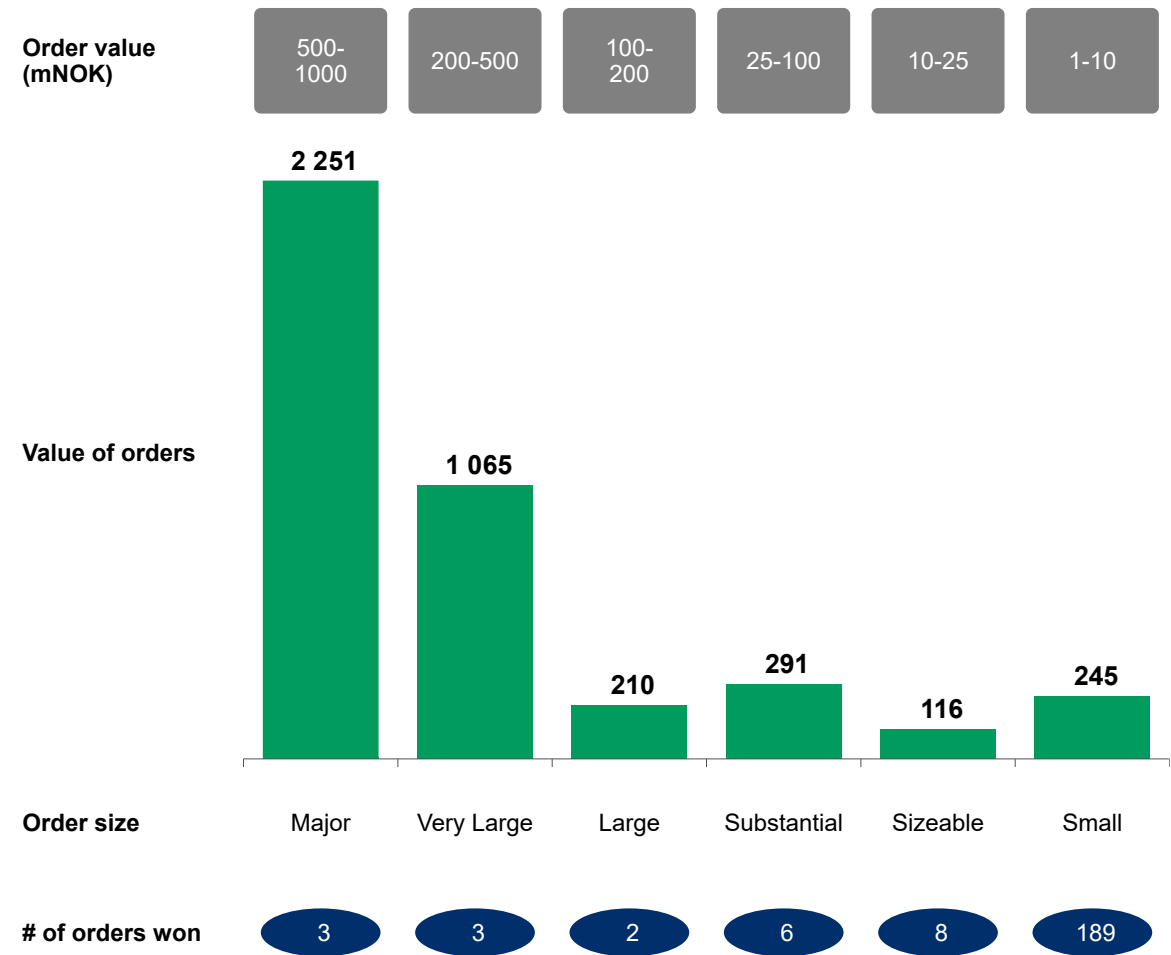
# Order backlog of 13.1 billion NOK

Stable and robust

Historic backlog values and backlog by segment (bnNOK)



Order intake last 12 months (mNOK)



# Attractive shareholder return

Focused on shareholder returns, supported by strong cash flow and low leverage



## Dividend distributed Last Twelve Months (LTM) (mNOK)



## Main achievements 2022-2025

-  Established dividend program with consistent payouts
-  **325 mNOK** distributed to shareholders since listing in 2022
-  **14%** implied annual direct yield\* based on current quarterly dividend level
-  **100%** total return\*\* per share since listing

\* Based on the share price per 12<sup>th</sup> May 2025

\*\* Includes share price appreciation since listing

# Our priorities

1



Ensure safe &  
efficient  
operations

2



Expand services  
in existing and new  
markets

3



Realise benefits from  
performance and  
improvement  
programme

4



Meet financial  
targets

Delivering profitable growth and long-term value for shareholders

# Financial information

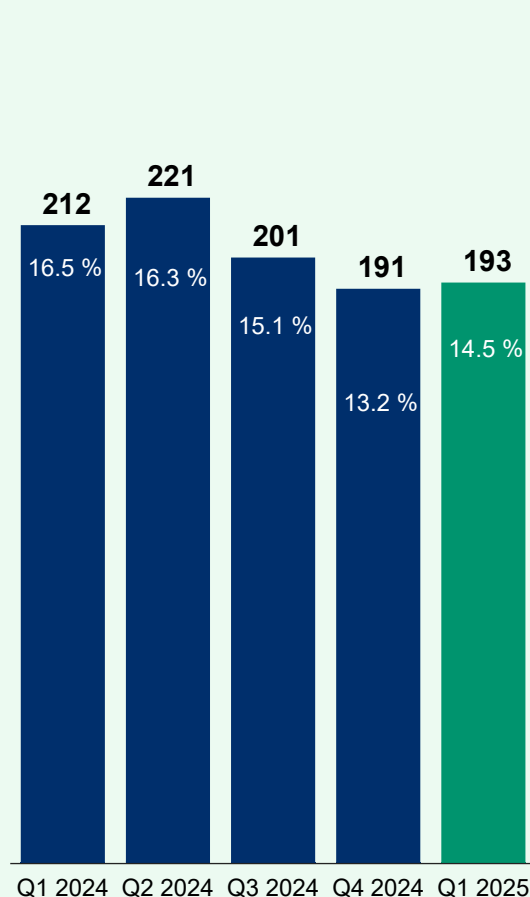
# Group financials

Steady activity level and margin improvements

## Revenue (mNOK)



## EBITDA (mNOK)



## Key KPIs (mNOK)

Key figures	Q1 2025	Q4 2024	Q1 2024	2024 FY
Operating revenue	1 330	1 450	1 283	5 427
EBITDA	193	191	212	825
<b>EBITDA Margin %</b>	<b>14.5 %</b>	<b>13.2 %</b>	<b>16.5 %</b>	<b>15.2 %</b>
Operating profit (EBIT)	122	110	123	491
Net profit (loss)	79	75	51	253
<b>Cash generated from operations</b>	<b>115</b>	<b>262</b>	<b>75</b>	<b>707</b>
Net cash flow from investing activities	(147)	(106)	(68)	(375)
<b>Free Cash Flow</b>	<b>(37)</b>	<b>128</b>	<b>(47)</b>	<b>179</b>
Available Liquidity	938	1 144	867	1 144

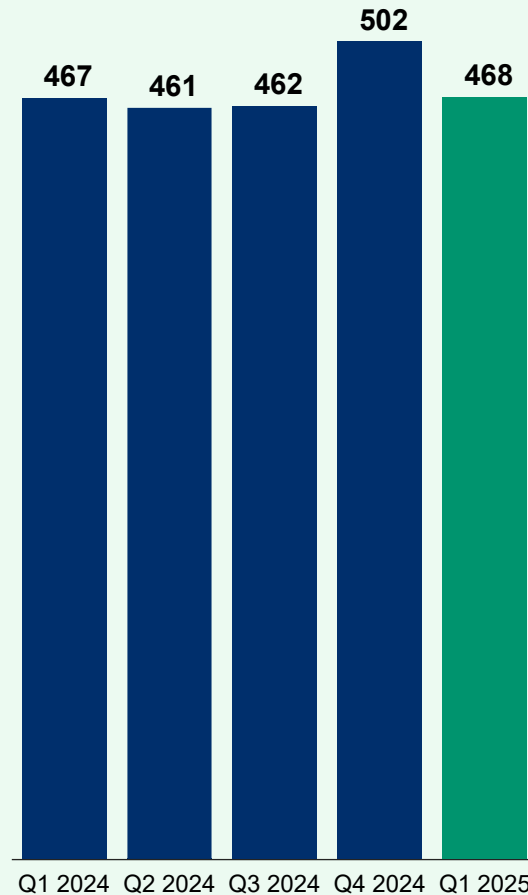
## Highlights

- Stable activity level in all business areas
- EBITDA in line with previous quarter while EBITDA % improved due to less recharges and improved margins in Operations and Projects & Engineering

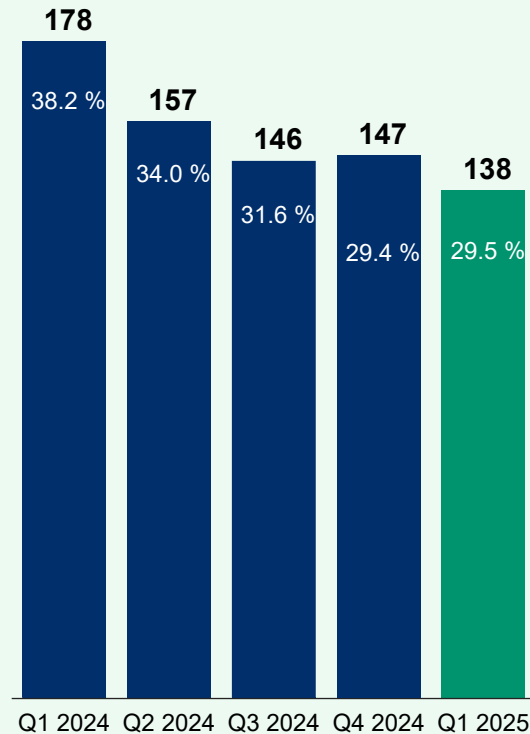
# Well Services

Stable operational activity while product mix changes affect margin level

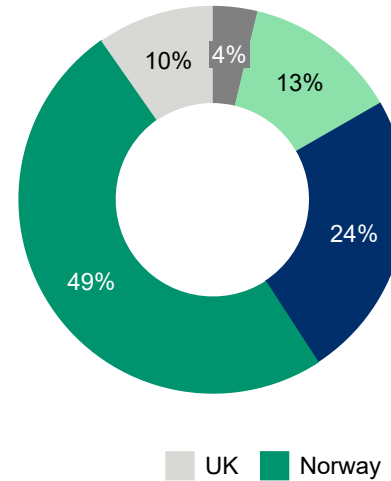
Revenue (mNOK)



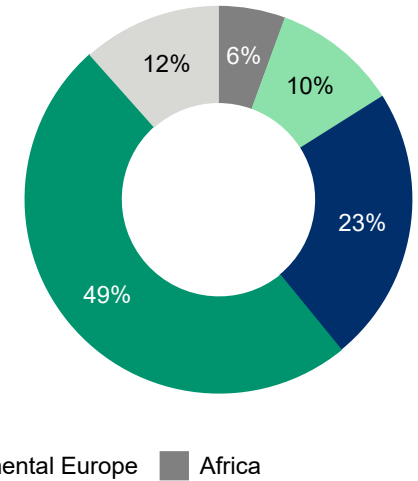
EBITDA (mNOK)



Q1 2025 Revenue by Region



Q1 2024 Revenue by Region



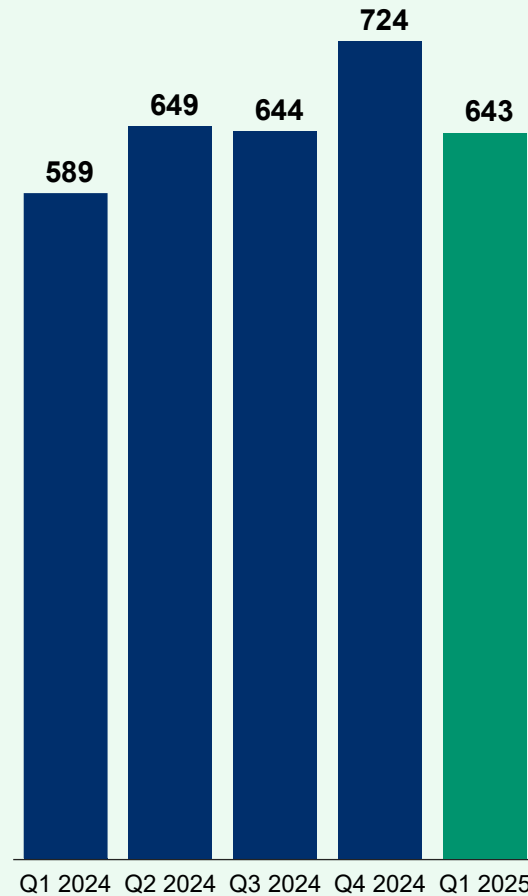
## Highlights

- Lower activity in UK, Europe and Namibia, offset by higher activity in the Middle East
- Negative EBITDA trend due to activity shift from higher profitable product lines to lower profitable product lines
- Won TRS contract for Conoco Phillips on Ekofisk
- Secured additional Powered Wired Drill Pipe allowing for earlier start-up of Vår Energi contract

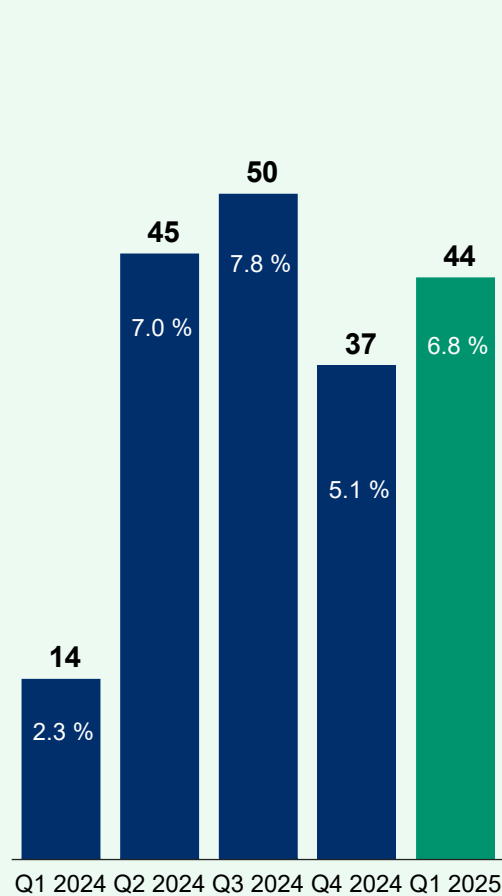
# Operations

Progressing positively due to a new contract portfolio and efforts to enhance margins

Revenue (mNOK)



EBITDA (mNOK)



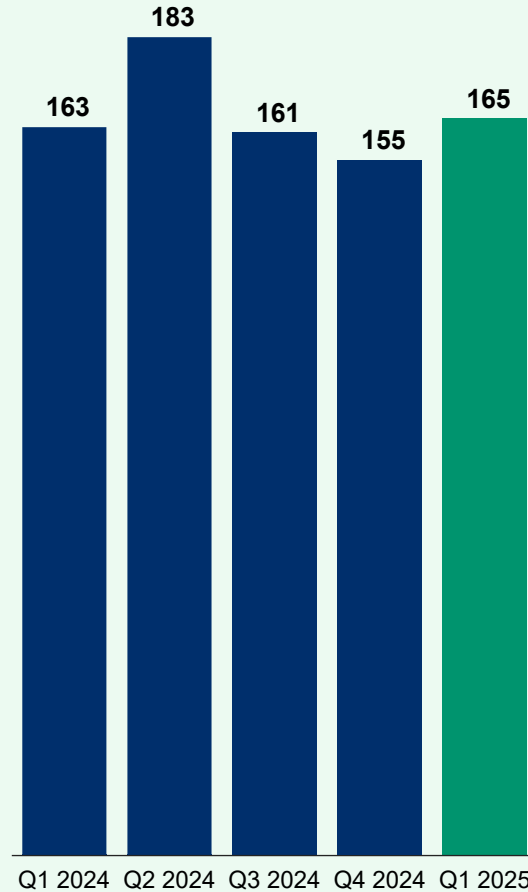
## Highlights

- Revenue in line with previous quarter's run-rate
- EBITDA improved due to bonus achievements and changes in contract portfolio
- First full quarter with new contracts, the main focus is on establishing safe and efficient operations on the new assets
- Brunei workover contract termination will have limited financial impact on 2025

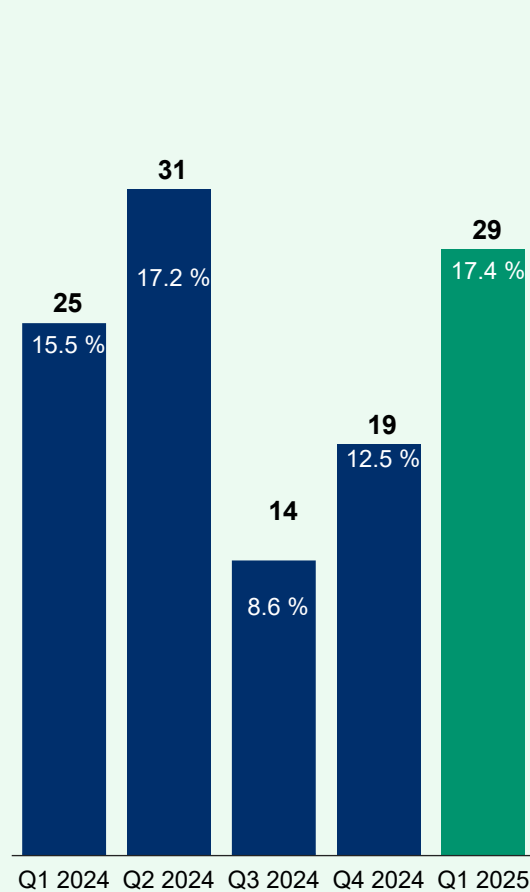
# Projects & Engineering

Diverse contract portfolio ensures consistent activity level.

Revenue (mNOK)



EBITDA (mNOK)



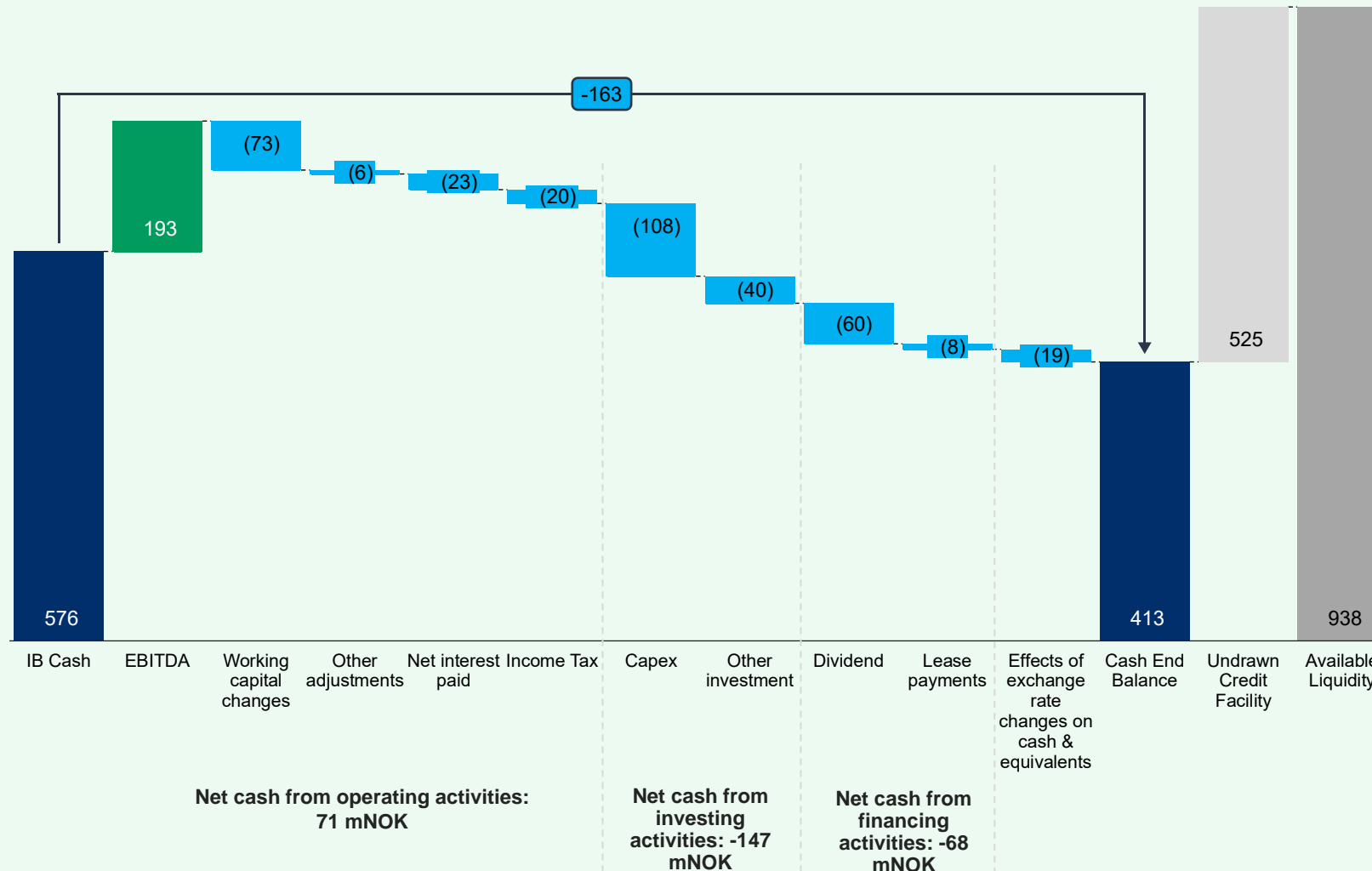
## Highlights

- Stable and predictable activity level
- EBITDA improved due to higher-margin projects and Q1 being a quarter with fewer holidays
- Continuous high utilisation
- Special Periodic Survey (SPS) for Deepsea Stavanger is in April, SPS for Deepsea Aberdeen is scheduled for May

# Q1 2025 cash flow analysis

Cash flow impacted by investments related to recent contract wins and preparations for growth

Cash flow bridge (mNOK)



## Comments

### General comments

- Cash flow generated from operations is 131 million
- 73 million in seasonal increase of working capital impacting cash flow
- 60 million in dividend payout, in line with 2 previous quarters

### Non regular cash effects

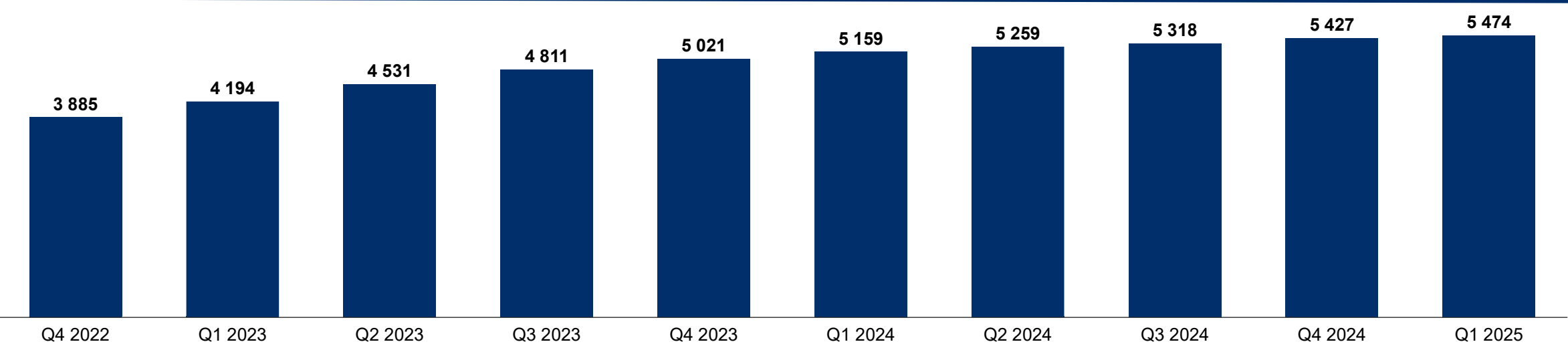
- 40 million investment in Reelwell

### Other

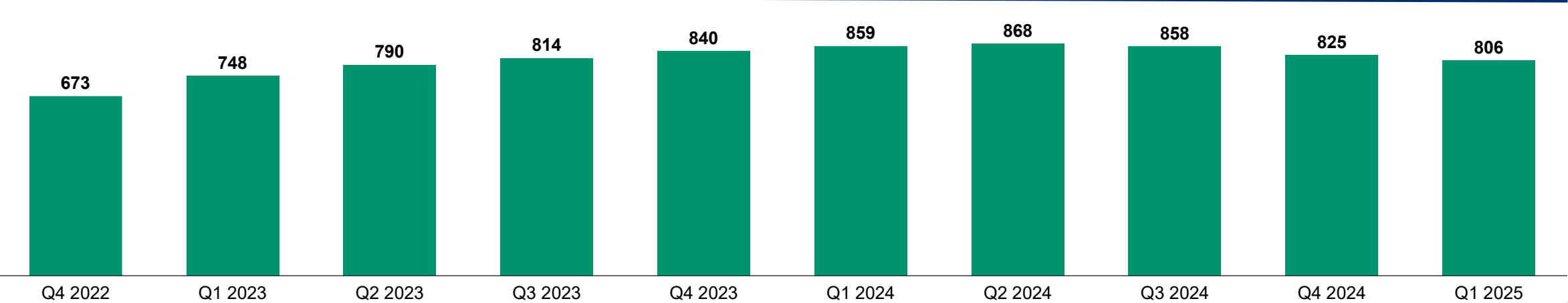
- Other adjustments for provisions and non-cash elements
- Effect of exchange rate mainly due to weaker USD negatively affecting cash balance and available liquidity

# Revenue and EBITDA last twelve months (LTM) figures

Revenue (NOKm)



EBITDA (NOKm)



# Summary

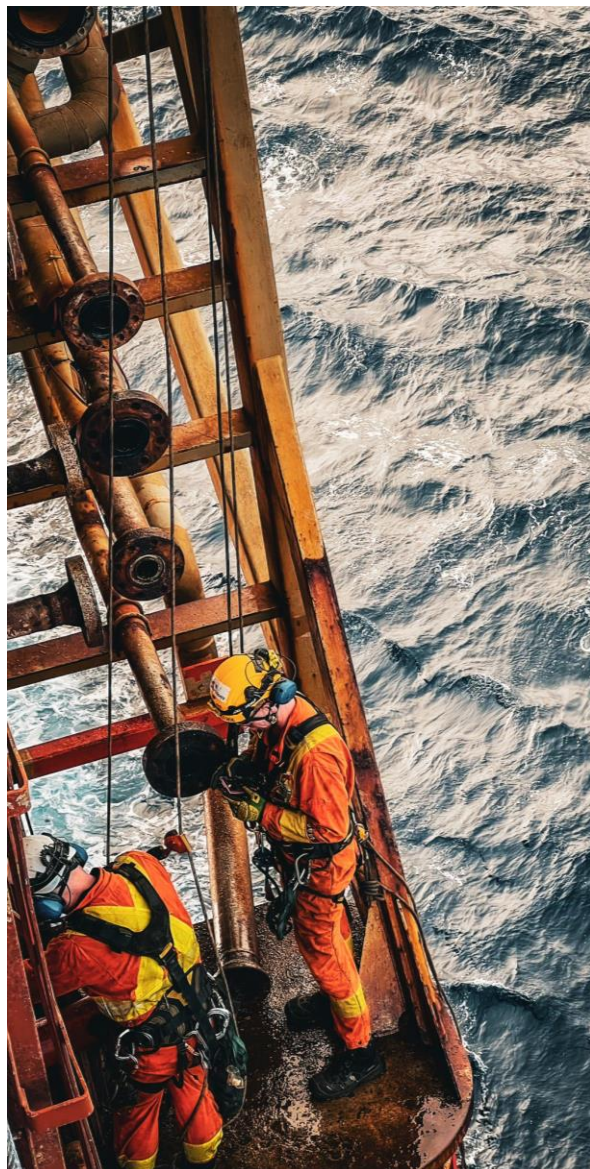
## Key takeaways: Focused on delivering long-term value

- Order backlog remains robust with good revenue visibility
- Expect improved financial performance in second half of 2025
- Strong cost discipline approach and on track on our performance improvement program
- Strong commitment to shareholders with consistent dividend payouts, delivering high direct yield



# Appendix

# Summary income statement



P&L (mNOK)	Q1 2025	Q4 2024	Q1 2024	2024 FY
<b>Operating revenue</b>	<b>1 329.8</b>	<b>1 450.3</b>	<b>1 283.2</b>	<b>5 426.9</b>
Other gains and losses	6.0	2.9	16.7	32.3
Personnel expenses	(834.1)	(907.7)	(813.8)	(3 388.3)
Other operating expenses	(308.8)	(354.8)	(274.2)	(1 246.1)
<b>EBITDA</b>	<b>192.9</b>	<b>190.8</b>	<b>211.9</b>	<b>825.1</b>
Depreciation and amortisation	(71.0)	(81.4)	(88.9)	(334.3)
<b>Operating profit (EBIT)</b>	<b>121.9</b>	<b>109.6</b>	<b>123.0</b>	<b>490.7</b>
Share of profit (loss) from joint ventures and associates	(1.1)	4.4	(3.8)	2.2
Net financial items	(28.7)	(35.3)	(59.8)	(197.7)
<b>Profit (loss) before tax</b>	<b>92.0</b>	<b>78.7</b>	<b>59.5</b>	<b>295.2</b>
Income tax expense	(13.0)	(4.0)	(8.0)	(42.0)
<b>Net profit (loss)</b>	<b>79.0</b>	<b>74.7</b>	<b>51.5</b>	<b>253.2</b>

# Balance Sheet

Assets (mNOK)	31.03.2025	31.03.2024
Property, plant and equipment	1 189.9	1 090.6
Intangible assets	327.8	260.5
Deferred tax asset	138.9	96.9
Non-current tax asset	307.2	307.2
Investments in joint ventures and associates	126.0	81.2
Other non-current assets	84.2	63.7
<b>Total non-current assets</b>	<b>2 174.1</b>	<b>1 900.0</b>
Trade receivables	1 110.7	1 111.0
Other current receivables and assets	245.2	198.3
Cash and cash equivalents	412.7	597.3
<b>Total current assets</b>	<b>1 768.5</b>	<b>1 906.6</b>
<b>Total assets</b>	<b>3 942.6</b>	<b>3 806.6</b>

Equity and liabilities (mNOK)	31.03.2025	31.03.2024
Paid-in capital	1 093.8	1 093.8
Other equity	180.5	128.4
<b>Total equity</b>	<b>1 274.3</b>	<b>1 222.2</b>
Non-current interest-bearing borrowings	1 083.1	1 089.8
Non-current lease liabilities	132.1	151.6
Other non-current liabilities	90.9	51.1
Liability repayment to Odfjell Drilling Ltd	307.2	307.2
<b>Total non-current liabilities</b>	<b>1 613.3</b>	<b>1 599.6</b>
Current interest-bearing borrowings	2.8	11.3
Current lease liabilities	49.0	45.5
Trade payables	308.0	285.8
Current income tax	86.0	46.0
Other current liabilities	609.3	596.2
<b>Total current liabilities</b>	<b>1 055.0</b>	<b>984.8</b>
<b>Total liabilities</b>	<b>2 668.3</b>	<b>2 584.4</b>
<b>Total equity and liabilities</b>	<b>3 942.6</b>	<b>3 806.6</b>

# Summary statement of cash flows



Cash flow (mNOK)	Q1 2025	Q4 2024	Q1 2024	FY 2024
Profit/(loss) before tax	92.0	74.1	59.5	290.6
Adjustment for provisions and other non-cash elements	95.1	106.2	132.3	499.1
Changes in working capital	(72.5)	81.2	(116.4)	(82.9)
<b>Cash generated from operations</b>	<b>114.6</b>	<b>261.5</b>	<b>75.3</b>	<b>706.8</b>
Net interest (paid) / received	(23.2)	(17.1)	(30.0)	(117.8)
Net income tax paid	(20.4)	(13.5)	(23.9)	(69.3)
<b>Net cash flow from operating activities</b>	<b>71.0</b>	<b>230.9</b>	<b>21.4</b>	<b>519.7</b>
<b>Net cash flow from investing activities</b>	<b>(147.1)</b>	<b>(106.4)</b>	<b>(68.0)</b>	<b>(375.2)</b>
<b>Net cash flow from financing activities</b>	<b>(68.1)</b>	<b>(68.0)</b>	<b>(36.6)</b>	<b>(253.6)</b>
Effects of exchange rate changes on cash and cash equivalents	(19.3)	5.7	21.7	26.4
Net increase (decrease) in cash and cash equivalents	(163.5)	62.2	(61.4)	(82.6)
<b>Cash and cash equivalents at period end</b>	<b>412.7</b>	<b>576.2</b>	<b>597.3</b>	<b>576.2</b>

Please refer to the Quarterly report for further details

# Cash position

Solid financial position – expect reduced capex in H2

## Comments

### Net Cash Position of 413m

- As anticipated, high capex and working capital build up reducing cash balance
- RCF of 50mUSD remains un-utilised, with an additional bond tap of 600mNOK available

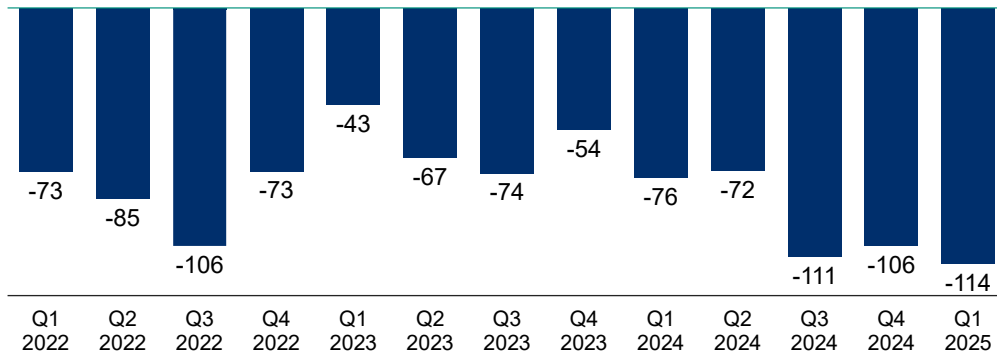
### Capex of 114m

- High capex expected in 2025 due to Power Wired Drill Pipe investment for Vår Energi contract and increased activity in general
- Major part of capex spending is expected in Q2 2025 with reduction in the following quarters

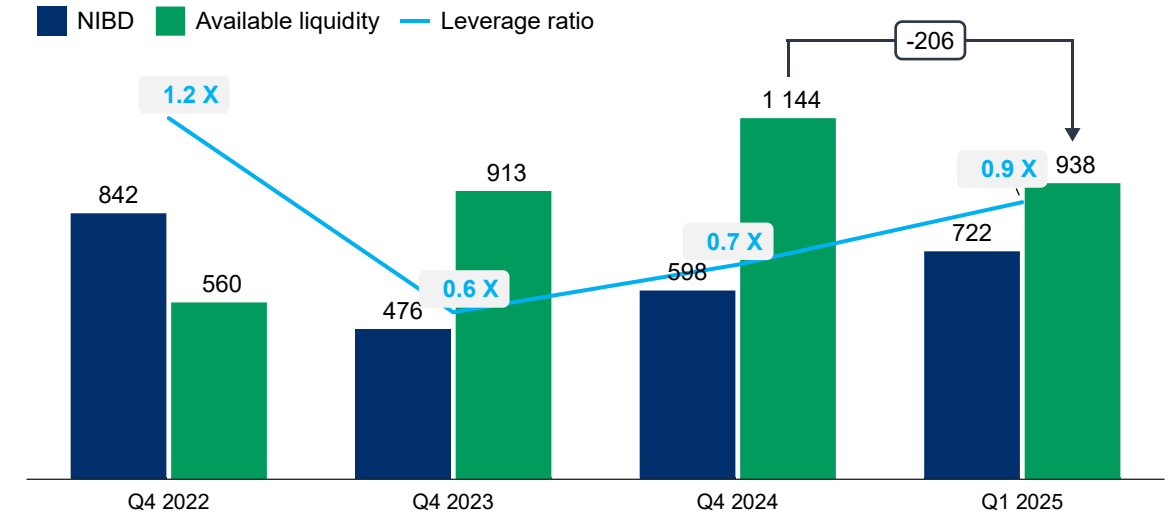
### Working Capital increase on balance sheet of 31m

- Seasonal effect in Q1 with expected reversal in Q3/Q4

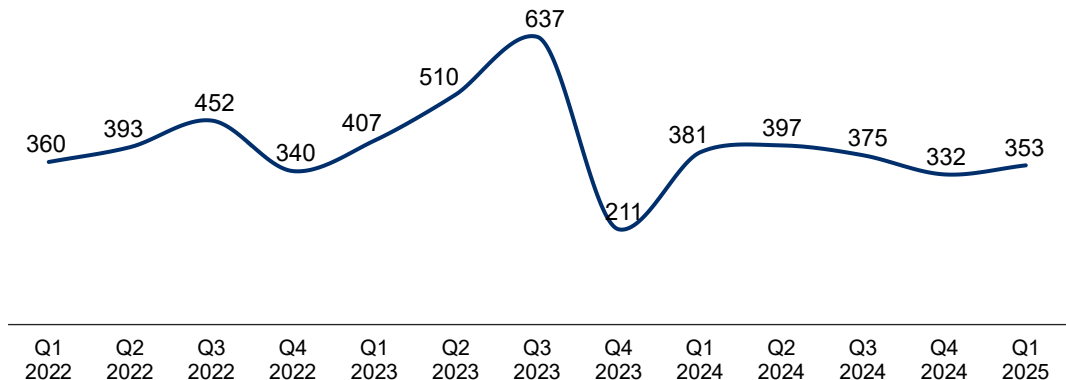
## Capex (mNOK)



## NIBD and Liquidity (mNOK)



## Working Capital (mNOK)

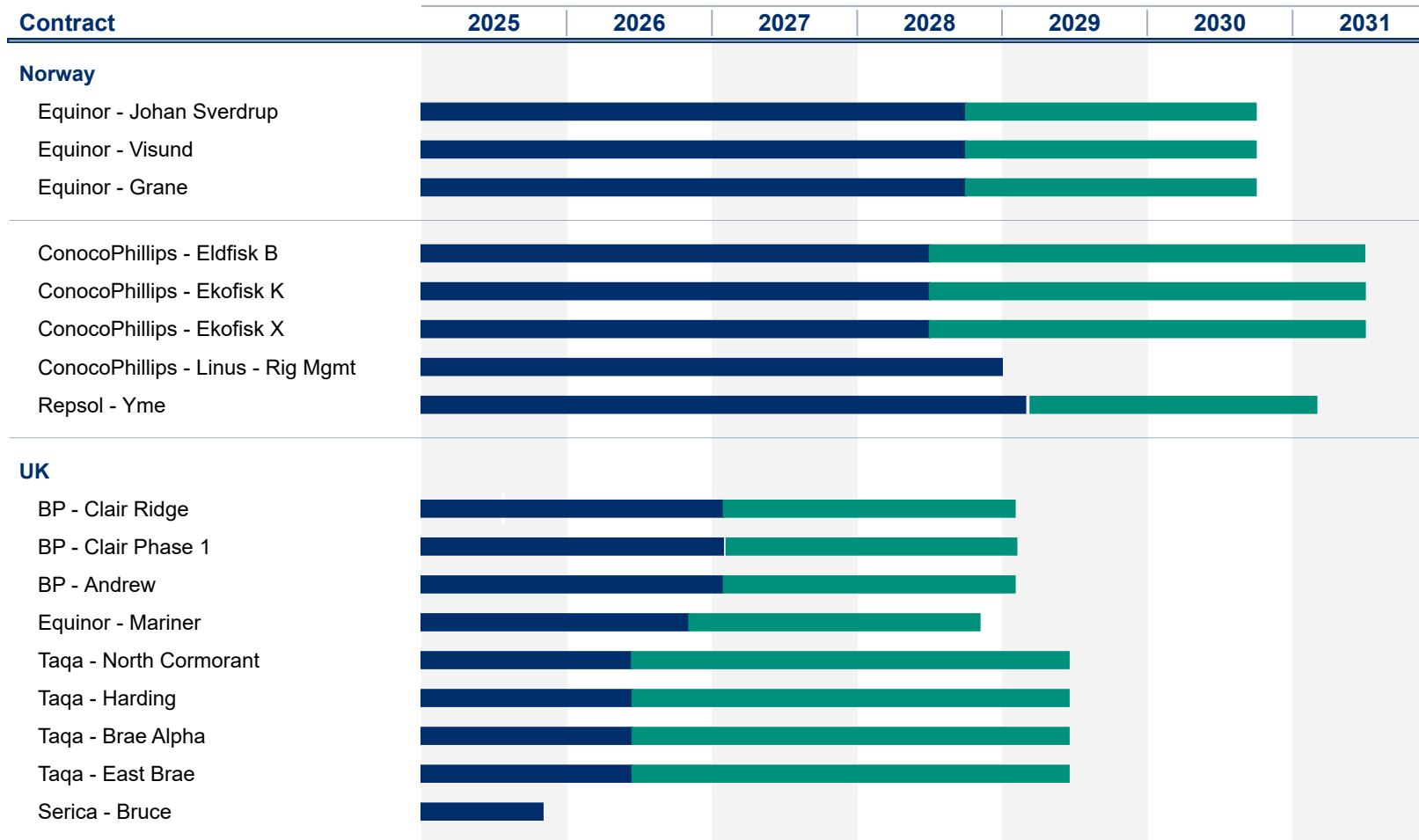


Working capital defined as current assets net of cash, and current liabilities net of current interest-bearing debt and current lease liabilities.

# Operation contract overview

Recent contract awards and extensions over the past year have improved revenue visibility

## Operations contract overview



## Comments

- The number of rigs in active drilling mode in Q1-2025 was 8
- The number of rigs in maintenance mode Q1-2025 was 6
- 3 rigs not active in Q1-2025
- Operational activity mix expected to remain stable, with shorter maintenance periods for certain rigs



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