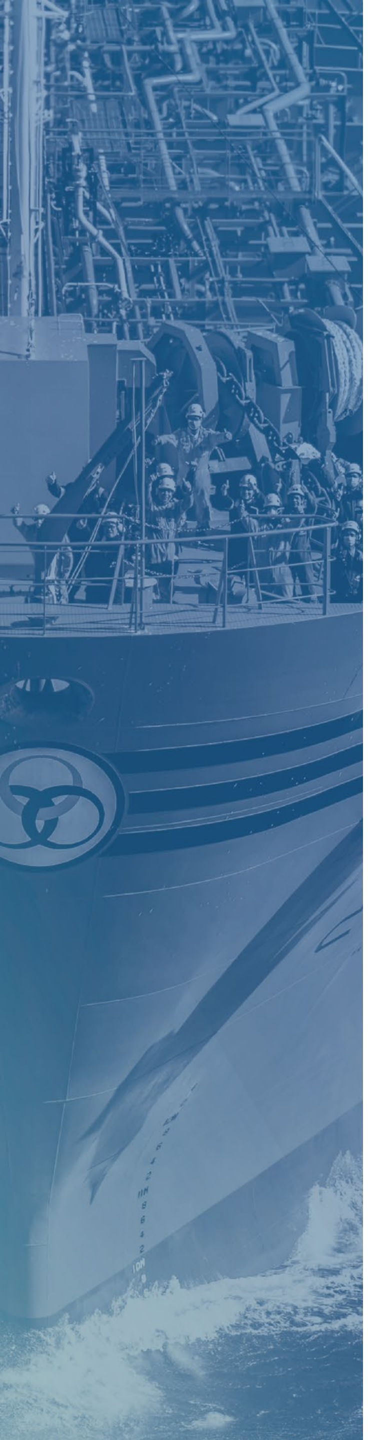
First quarter presentation 2021

By CEO Kristian Mørch & CFO Terje Iversen | May 6, 2021

ODFJELL



Agenda

- Highlights
- Financials
- Operational review & Strategy
- Prospects & Market update

Highlights

The chemical tanker market and our results were negatively influenced by seasonality, disruptions of COA volumes caused by the unprecedented freeze in Texas, and a challenging CPP market

- Timecharter earnings in Odfjell Tankers of USD 120 mill compared to USD 125 mill 4Q20
- Net result contribution from Odfjell Terminals of USD 0.2 mill compared to USD -0.6 mill 4Q20
- EBIT of USD 8 mill compared to USD 18 mill 4Q20
- Net result of USD -16 mill compared to USD -3 mill 4Q20. Excluding extraordinary items, net result was USD -14 mill compared to USD -1 mill 4Q20
- Temporary blocking of the Suez canal only had minor impact on operations
- Our reported Annual Efficiency (AER) for our managed fleet as of 1Q21 is 8.53, slightly up from 8.44 in 1Q20, but ahead of the Sustainability Performance Target trajectory. We are on track towards our goal for 2030
- We acquired JV partner's share in Odfjell Gas' two gas carriers and the vessels are now owned and incorporated in Odfjell Tankers
- The Board decided not to recommend a dividend for FY 2020

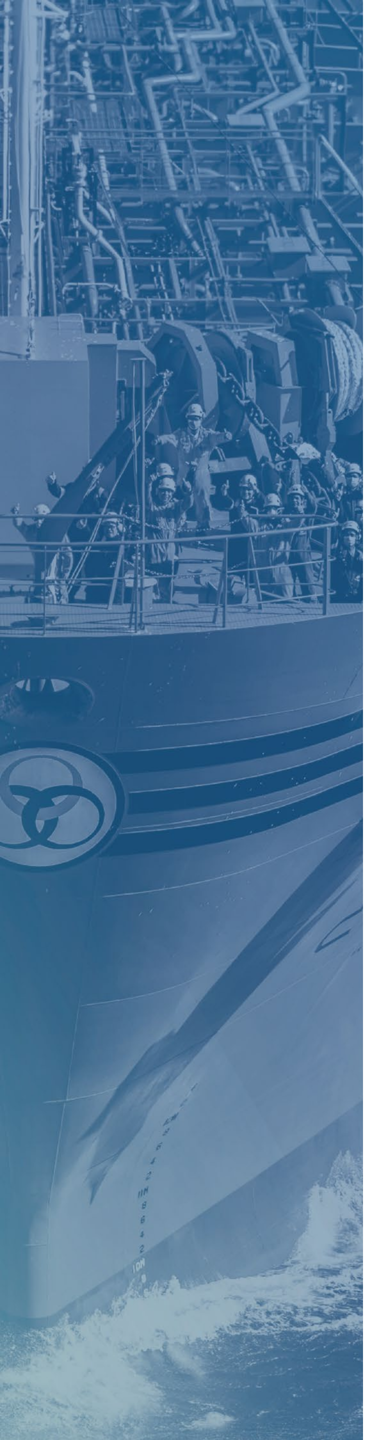
KEY FIGURES, USD MILLION

(USD mill, unaudited)	2Q20	3Q20	4Q20	1Q21	1Q20	FY20
Timecharter earnings	137.4	128.4	124.9	120.3	121.8	512.5
Total opex, TC,G&A	(63.7)	(64.5)	(65.5)	(67.9)	(63.8)	(198.9)
Net result from JV's	11.7	0.9	0.0	0.8	0.9	13.3
EBITDA	85.5	64.9	59.3	53.2	58.7	268.3
EBIT	48.7	26.1	17.8	7.8	22.6	115.3
Net financial items	(16.8)	(21.1)	(20.1)	(22.1)	(26.0)	(84.0)
Net result	**30.9**	**3.9**	**(2.5)**	**(15.6)**	**(4.4)**	**27.8**
EPS*	0.39	0.05	(0.03)	(0.20)	(0.06)	0.35
ROE**	13.6 %	3.5 %	(2.0 %)	(9.9%)	(0.5 %)	4.9 %
ROCE**	8.2 %	5.4 %	3.6 %	1.5%	5.1 %	6.1 %

- Figures based on equity method
** Based on 78.8 million outstanding shares*
*** Ratios are annualised*

"The first quarter was impacted by a challenging chemical tanker market with disruptions in supply chains due to extraordinary weather conditions and Covid 19 together with a weak CPP market. Underlying fundamentals remain strong and we expect our markets to improve throughout the year. Following the end of the largest fleet renewal programme in the history of the company, we are now well positioned to generate improved free cash flow and strengthen our balance sheet. We expect to report improved results in 2Q21."

CEO Kristian Mørch



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Income statement – Odfjell Group

KEY QUARTERLY DEVIATIONS:

A. TCE of USD 120 mill, reduced from USD 125 mill due to weaker markets and disruptions

- TCE from two Gas vessels now included in Odfjell Tankers TCE was USD 3.8 mill
- Texas freeze estimated to have impacted 1Q21 TCE by USD 2 mill

B. Short-term TC extended to long-term TCs and included in opex (IFRS 16)

C. EBIT also impacted by increased depreciations increased due to decreased residual values, TC extensions and Gas vessels. EBIT of USD 8 mill compared to USD 18 mill 4Q20

D. Net result excluding one-offs and extraordinary items was USD -14 mill compared to USD -1 mill 4Q20

USD MILLION		4Q20	1Q21
Net Timecharter Earnings (TCE)	A	124.9	120.3
TC expenses		(7.0)	(3.6)
Operating expenses	B	(43.6)	(47.4)
Share of net result from associates and JV		0.0	0.8
General and administrative expenses		(15.0)	(16.9)
EBITDA		59.3	53.2
Depreciation	C	(41.5)	(45.6)
EBIT		17.8	7.8
Net interest expenses		(20.4)	(20.2)
Other financial items		0.3	(1.9)
Taxes		(0.3)	(1.3)
Net results	D	(2.6)	(15.6)
EPS		(0.03)	(0.20)
Commercial revenue days (exc. external pool vsls)		5,957	6,114

Balance sheet per March 31, 2021 – Odfjell Group

A. Investments in associates and JVs reduced following acquisition of the two gas carriers which now is 100% consolidated in Odfjell Tankers

B. Cash position reduced due to reduced drawings on the revolving credit facility (RCF) and available liquidity including RCF was USD 130 mill

C. Equity ratio of 29.1% as of 1Q21 (IFRS 16 Adj.)

D. Refinancing of ODF 08 with sustainability linked bond increased bond debt by net USD 20 mill

ASSETS, USD MILL	4Q20	1Q21
Ships and newbuilding contracts	1,515.1	1,531.1
Right of use assets	258.8	266.9
Investment in associates and JVs	A 200.4	181.2
Other non-current assets/receivables	18.6	16.0
Total non-current assets	1,993.0	1,995.2
Cash and cash equivalent	B 103.1	71.9
Other current assets	124.0	164.4
Total current assets	227.1	236.3
Total assets	2,220.1	2,231.4

EQUITY AND LIABILITIES, USD MILL	4Q20	1Q21
Total equity	C 575.9	569.1
Non-current liabilities and derivatives	32.6	29.0
Non-current interest bearing debt	D 1,059.8	1,132.1
Non-current debt, right of use assets	209.6	220.6
Total non-current liabilities	1,301.9	1,381.7
Current portion of interest bearing debt	D 178.8	99.8
Current debt, right of use assets	59.6	57.7
Other current liabilities and derivatives	103.9	123.1
Total current liabilities	342.3	280.6
Total equity and liabilities	2,220.1	2,231.4

Cash Flow statement – Odfjell Group

A. Operating cash flow of USD 19 mill compared to USD 39 mill in 4Q20 with change in working capital the main deviation

B. Cash flow from investing activities of USD -21 mill compared to USD -73 mill in 4Q20. Acquisition relates to Odfjell Gas

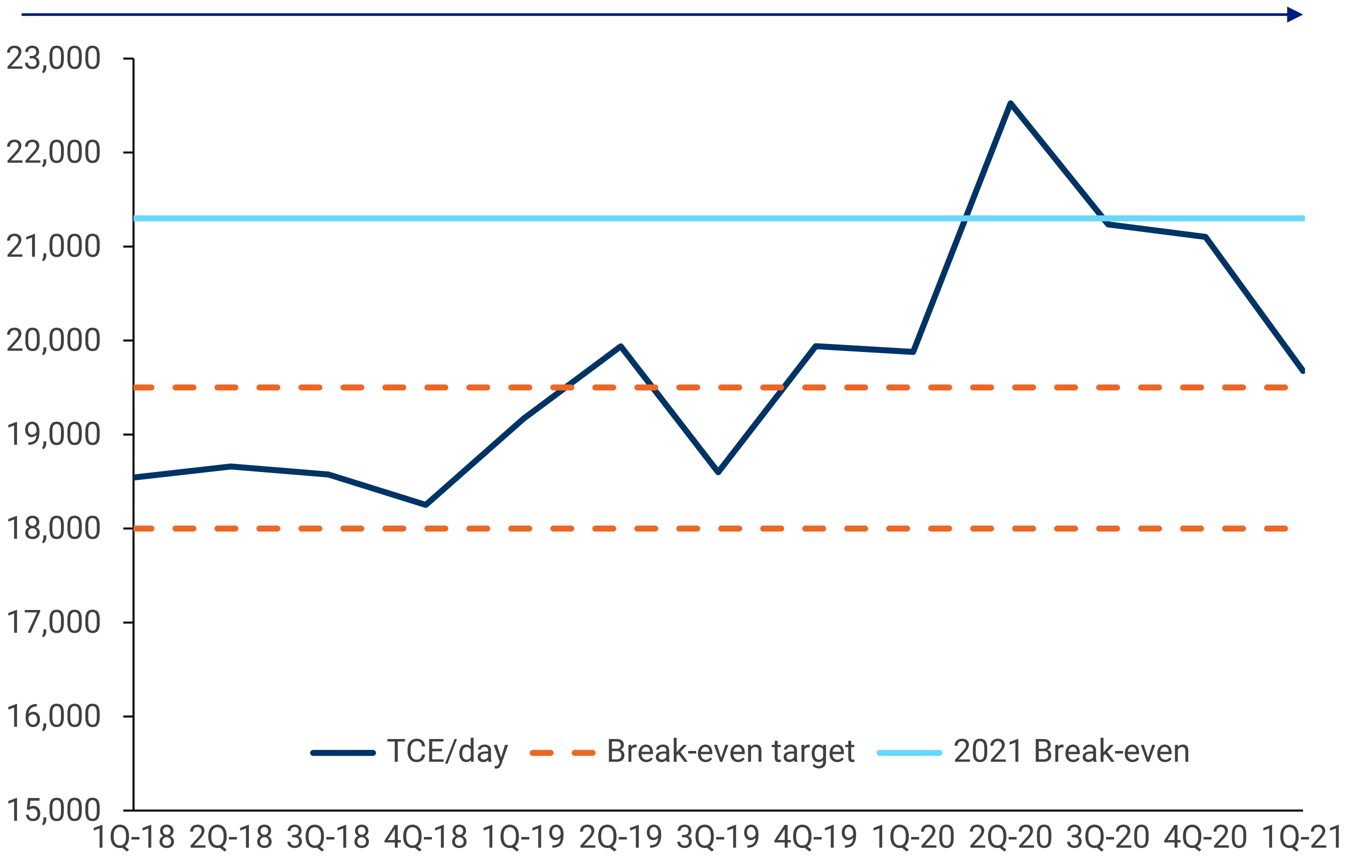
C. New interest bearing debt relates to USD 100 mill in new bond issue refinancing USD 80 mill in maturing bond. We also refinanced the two gas vessels which fully funded the acquisition

D. USD 20 mill of extraordinary downpayment on our revolving credit facility

Cash flow, USD mill	4Q20	1Q21
Net profit	(2.6)	(15.8)
Adjustments	39.0	47.2
Change in working capital	(1.0)	A (20.2)
Other	3.9	8.1
Cash flow from operating activities	39.3	19.3
Sale of ships, property, plant and equipment	-	-
Investments in non-current assets	(56.9)	B (10.5)
Dividend/ other from from investments in Associates and JV	-	(10.6)
Other	(16.3)	1.1
Cash flow from investing activities	(73.2)	(21.1)
New interest bearing debt	62.7	C 121.2
Repayment of interest bearing debt	(21.7)	(114.3)
Payment of operational lease debt	(15.9)	(15.6)
Dividends	-	-
Repayment of drawing facilities	-	D (20.0)
Other	19.0	
Cash flow from financing activities	44.1	(28.7)
Net cash flow*	10.8	(31.2)
Opening cash and cash equivalents	92.4	103.1
Closing cash and cash equivalents	103.1	71.9

Our TCE per day decreased during the quarter

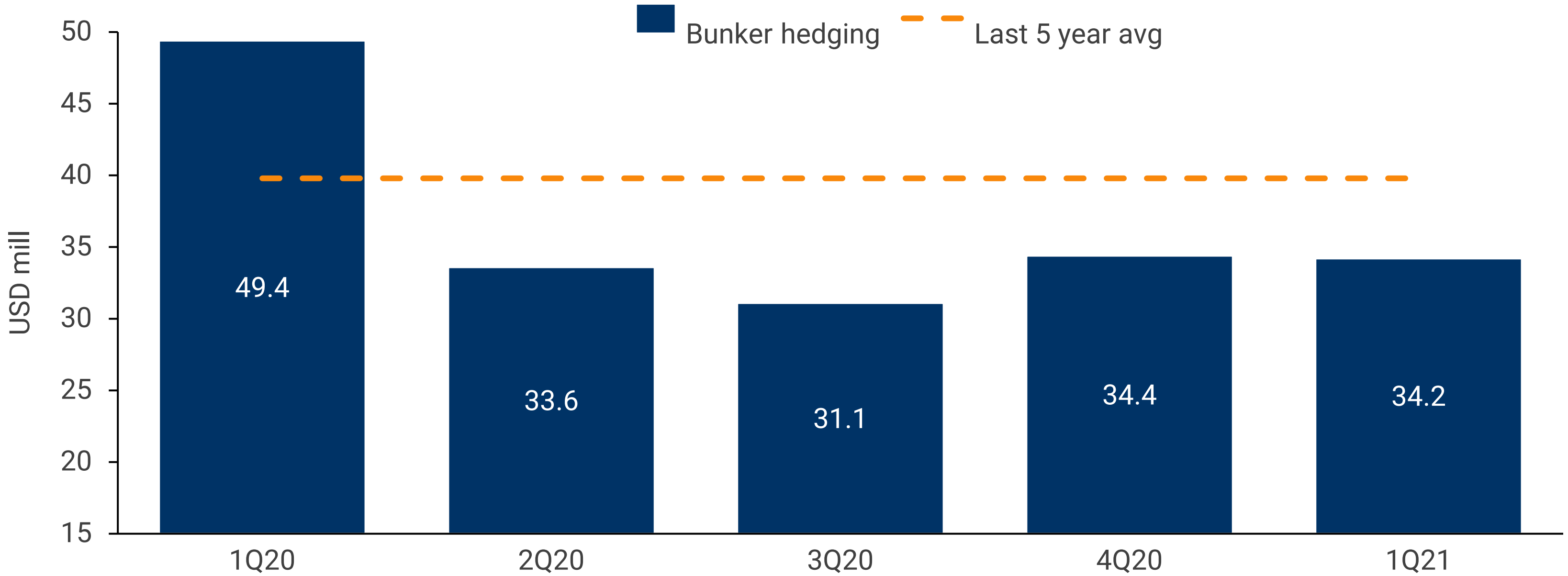
ODFJELL TANKERS BREAK-EVEN PER DAY VS TCE PER DAY (USD)



- Estimated break-even for 2021 is USD 21 300. TCE/day fell below this level in 1Q21
- Our target is to bring our break-even levels down to USD18 000-USD19 500 through various debt reduction and optimization efforts

Bunker expenses per 1Q21 – Odfjell Tankers

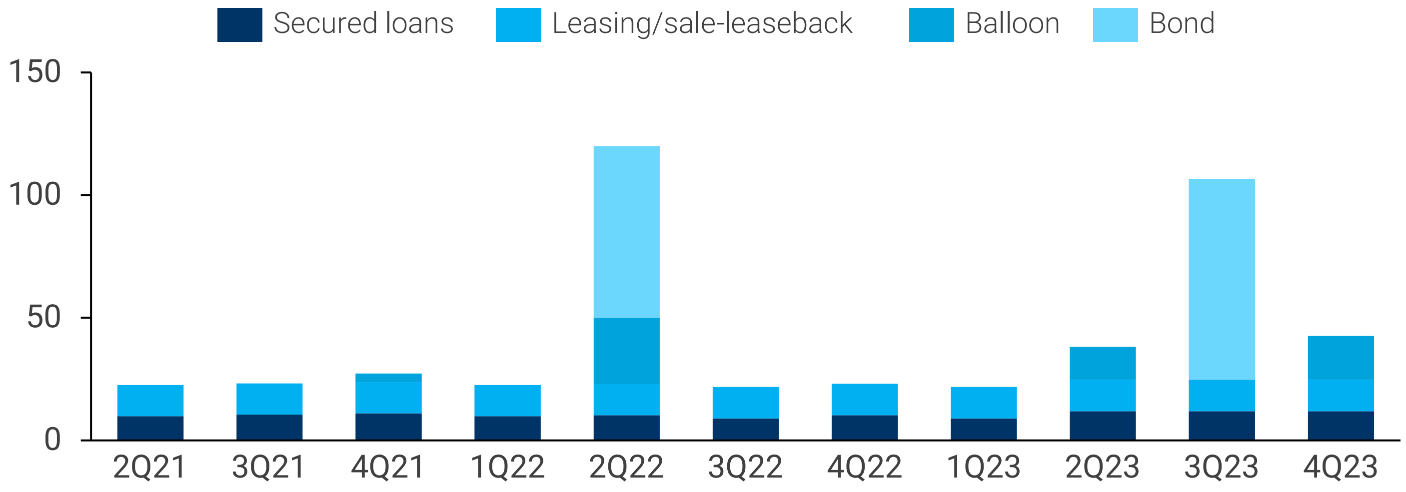
Bunker costs were stable during the quarter and remain well below levels seen on average the last five years



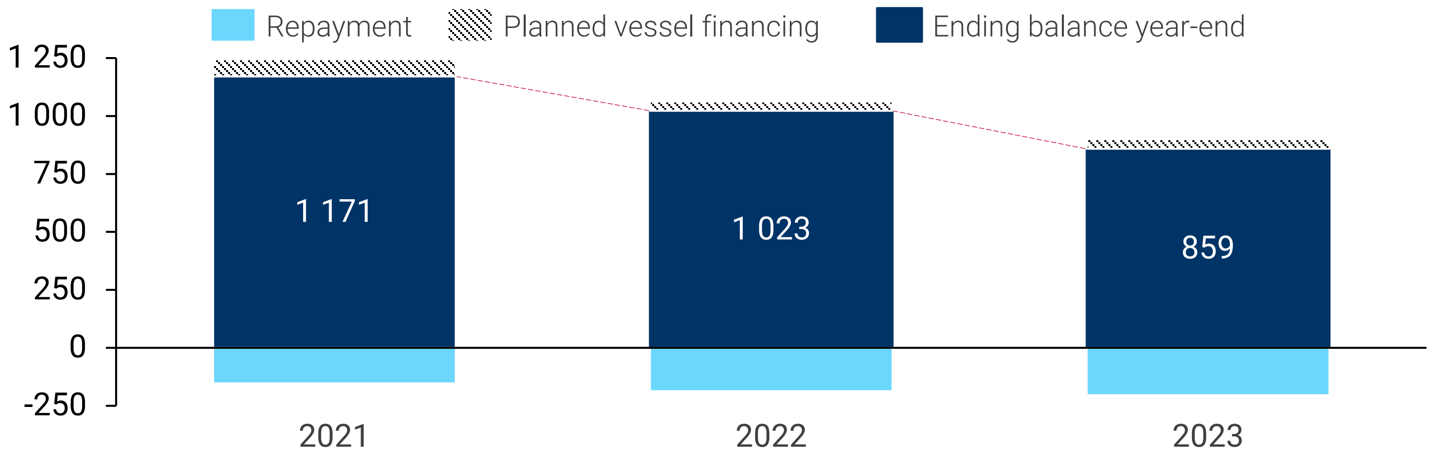
	1Q20	2Q20	3Q20	4Q20	1Q21
Gross bunker cost	46.0	60.3	34.4	39.4	48.3
Financial hedging	0.1	-	0.6	0.3	(1.8)
Adj. Clauses	(1.3)	(4.9)	2.1	1.8	(2.1)
3rd party vessels	(4.7)	(6.1)	(6.0)	(7.1)	(10.3)
Net bunker cost	40.1	49.4	31.1	34.4	34.2

Debt development – corporate & chemical tankers

SCHEDULED REPAYMENTS & PLANNED REFINANCING, USD MILLION



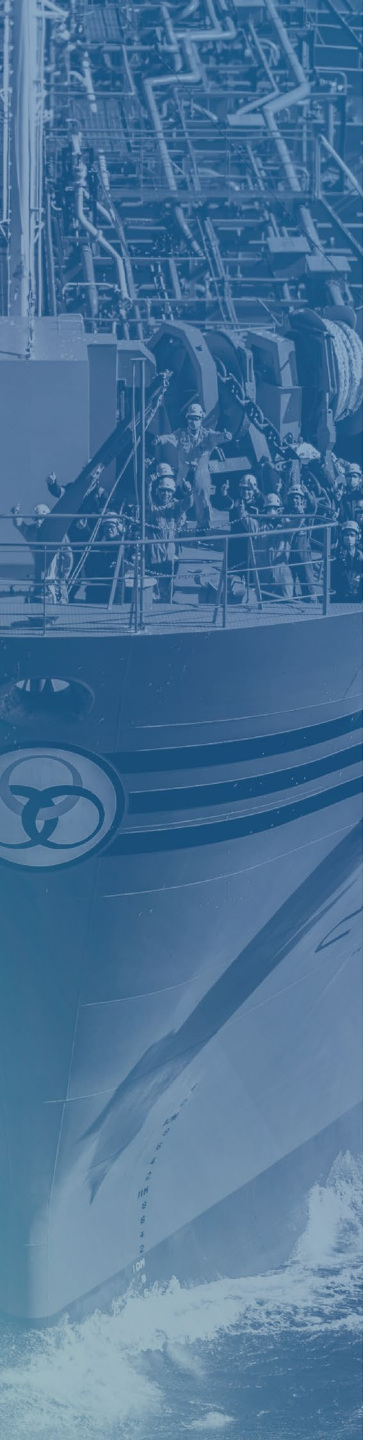
GROSS INTEREST-BEARING DEBT ENDING BALANCE, USD MILLION*



* Nominal bank, lease and bond debt. Bond debt swapped to USD

- Limited refinancing needs until 2Q22
- Refinanced four ships after quarter end that reduced outstanding debt and considerably reduced cash break-even on related vessels

- With zero capex commitments, debt levels should be reduced in the years to come
- If market allows, we should be within our target total debt of USD 750 – USD 900 mill by 2023



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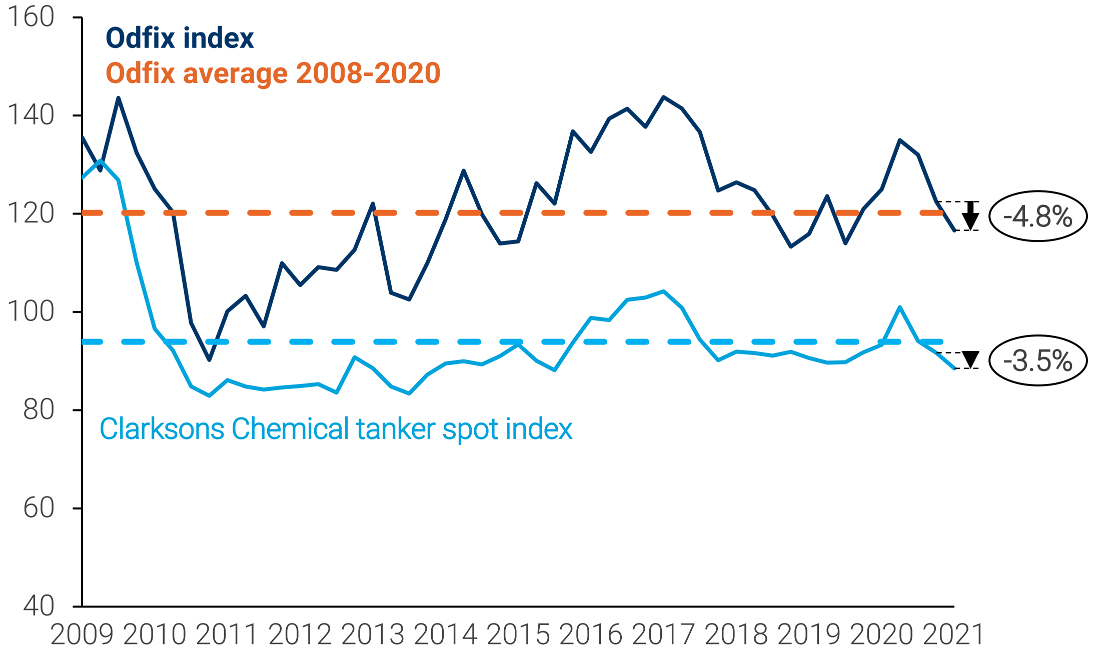
Rates and cargo mix development

Our core speciality segment continued to perform well with healthy fundamentals, while spot rates were under pressure due to less volume availability and high competition from swing tonnage into the less sophisticated trades

ODFIX VERSUS CLARKSONS CHEMICAL TANKER SPOT INDEX



SPECIALITIES

Stable market with stable nominations on COAs

EASY CHEMICALS

Seasonal reduction in volumes and high competition for cargoes leading to rates under pressure

VEGOILS

Increased competition from swing tonnage as back-haul routes were under pressure

CPP

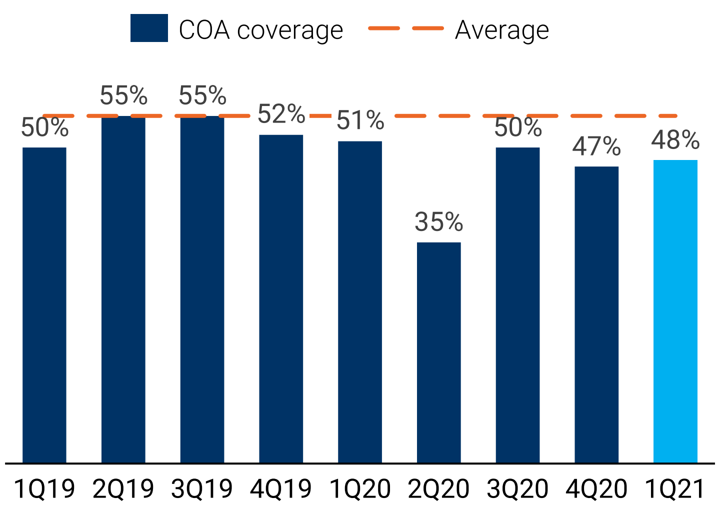
Weak CPP markets and Odfjell had limited activity in this market during the quarter

COA and volume development

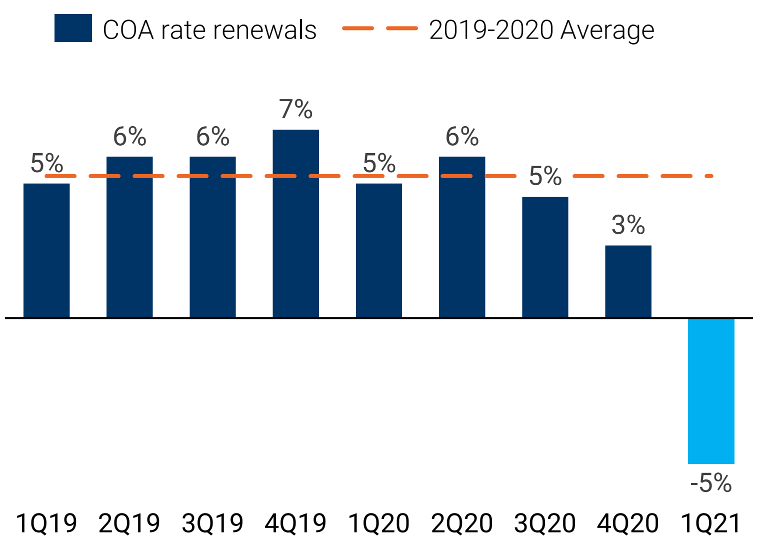
The Texas freeze disrupted operations during the quarter. COA nominations remain stable and we keep renewing and optimizing our COA portfolio

- COA rate renewals down 5.4% driven by one larger backhaul contract while the reminder of our COA renewals was up 1.1% on average
- We have entered into new COAs equivalent to 20% of our 2020 COA volumes. This reflects our growing fleet and our wish to optimize our COA portfolio where our firm stance to not renew contracts at unacceptable terms remains
- We had several vessels scheduled to load cargoes in the US gulf ahead of the freeze. This led to several vessels being forced to sail empty and part-empty which impacted volumes lifted during the quarter and negatively influenced our results

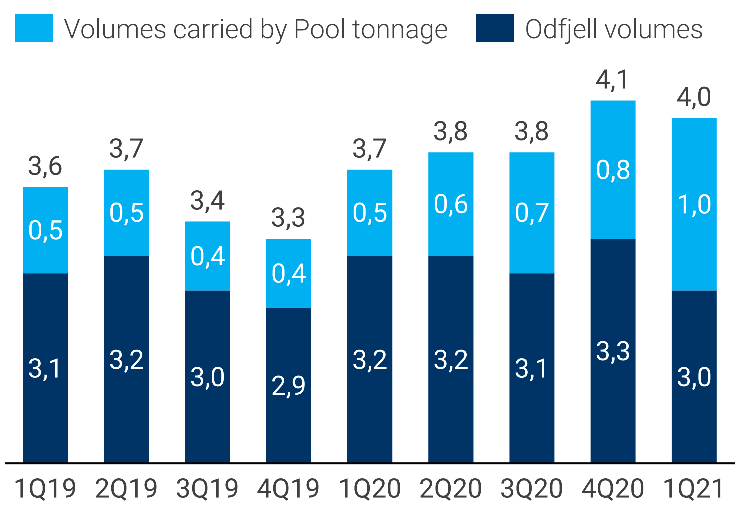
ODFJELL COA COVERAGE (%)



COA RATE RENEWALS (%)



VOLUME DEVELOPMENT (MILL TONNES)



Tank Terminals

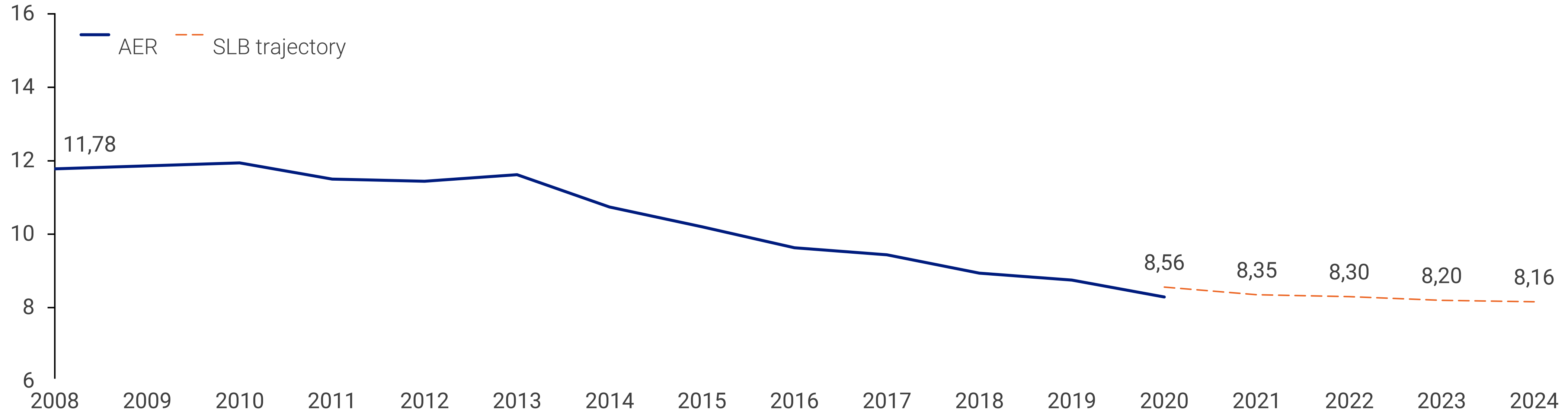
Terminals return to profit, but our operations were impacted by fire at OTH

- The quarter was marked by two force Majeure events at our terminal in Houston (OTH), the Texas freeze and the fire incident that occurred in December 2020
- The commercial occupancy of the portfolio remained in line with the previous quarter with the negative effects in Houston partially been offset by increasing activity levels in Europe
- The inventory levels in Houston are low across the entire petrochemical value chain, temporarily impacting the supply-demand picture for storage. This is expected to normalize during 2Q21
- At Noord Natie Odfjell Antwerp Terminals (NNOAT), the construction of an additional 35k cbm of stainless-steel capacity is progressing according to schedule
- At Odfjell Terminals US, we have launched a digital transformation program encompassing both OTH and OTC. This multi-year program will be a key component in realizing much of the efficiency and improvement potential we see within our US terminal operations
- The recent events at OTH have contributed to a delay in the engineering of the Bay 13 expansion project. Subject to final FID, commissioning of the new tank pit will likely be pushed to 2023

Odfjell Terminals key figures (Odfjell share)	1Q20	2Q20	3Q20	4Q20	1Q21
Gross revenues	17.5	16.0	16.3	15.9	16.4
Odfjell Terminals US EBITDA	5.5	5.4	5.4	4.8	4.3
Odfjell Terminals Asia EBITDA	1.5	1.0	0.4	0.6	1.5
Noord Natie Odfjell EBITDA	1.2	1.3	1.7	1.5	1.4
Odfjell Terminals EBITDA*	8.1	7.6	7.8	6.6	7.1
EBIT	2.7	12.5	2.2	0.3	1.3
Net financials	(1.3)	(0.7)	(0.5)	(1.8)	(1.0)
Net results	1.0	11.6	1.5	(0.6)	0.2
Cash flow from operations	(2.2)	16.8	7.6	5.4	(2.8)
Cash flow from investments	(2.2)	16.7	(6.8)	(31.1)	(5.1)
Cash flow from financing	2.9	(2.2)	0.8	18.0	8.2
Net debt	122.8	90.8	90.6	103.3	109.8
Commercial average occupancy rate (%)	97.3	99.4	98.9	96.5	95.9
Commercial available capacity (1,000 cbm)	1,123	1,148	1,148	1,148	1,146

Odfjell carbon emission development

Our reported AER per 31.12.20 is ahead of the Sustainability Performance Target trajectory and we are on track towards our goal for 2030



01

OUR TARGETS

- 2030: 50% reduction
- 2050: Carbon neutral

02

WHY AER?

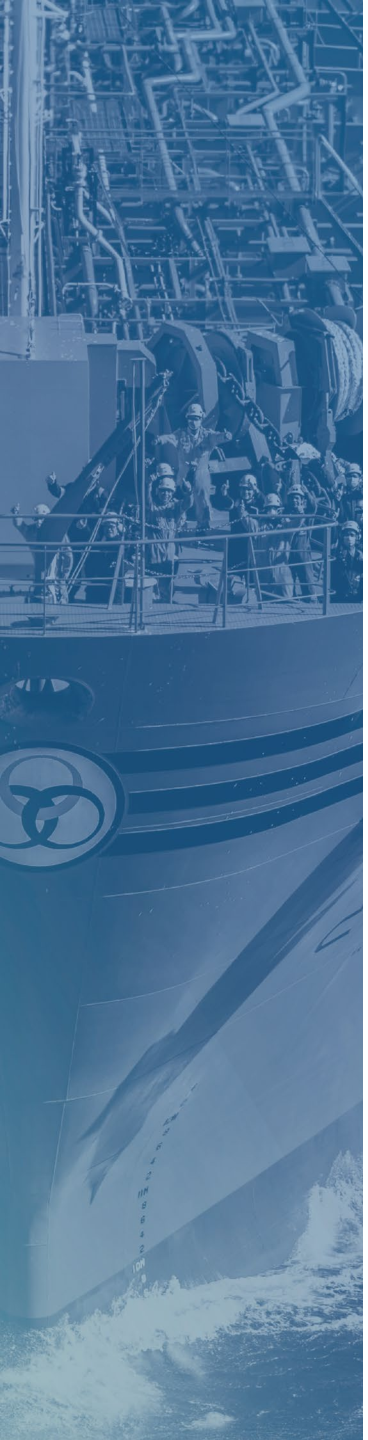
- Proposed index used by IMO
- EEOI heavily affected by utilization
- Incentivize improved fuel consumption
- Removes market uncertainty and gives predictability for owner on achieving CII targets

03

AER UPDATE 1Q21*

- Managed fleet: 8.53
- Operated fleet 8.44

The AER will on a quarterly basis be sensitive to seasonal variations on factors like temperature, weather, port congestions. The figures should be regarded as preliminary and will be reviewed by a 3rd party once a year
AER= Unit grams of CO_2 per tonne-mile (gCO_2/dwt-nm)



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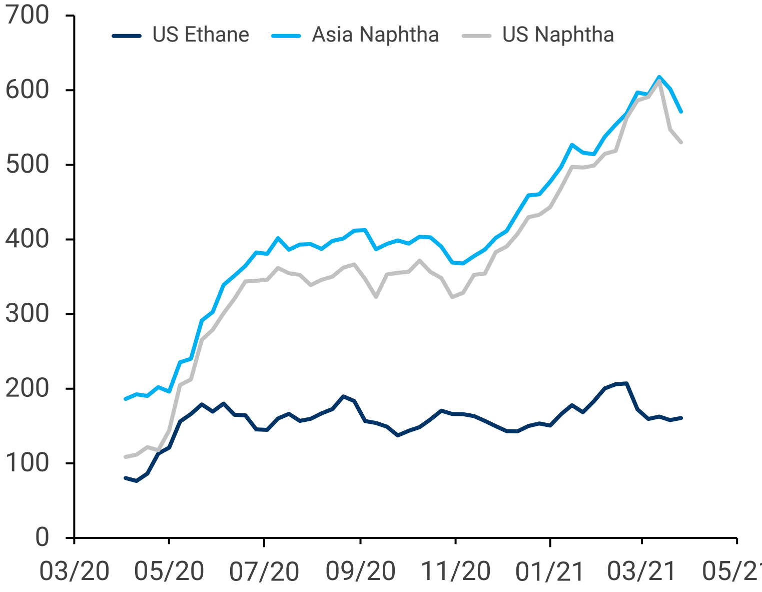
Inventory and price development

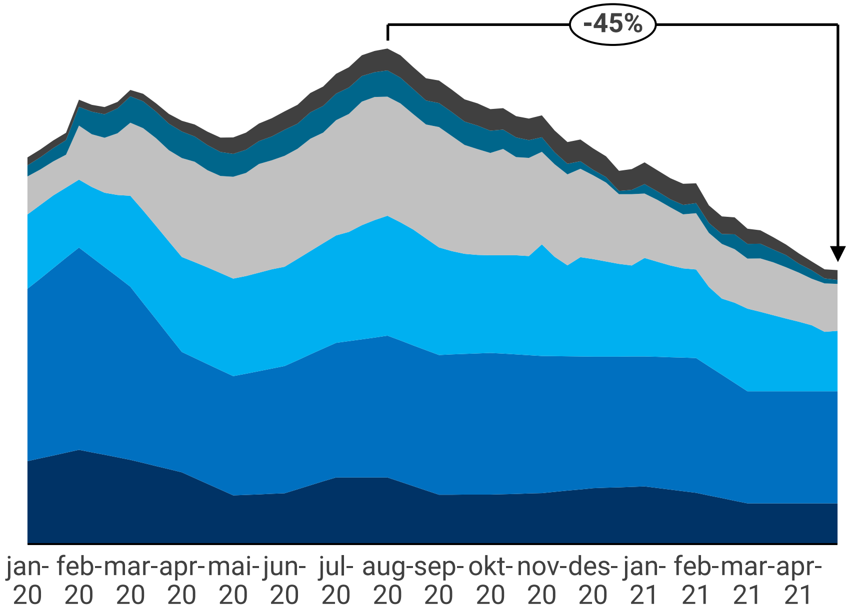
Feedstock and chemical prices have increased and inventories are approaching low levels

- Alongside broader commodity prices, chemical feedstock and chemical prices have improved considerably in recent months improving chemical producers margins
- There has been considerable inventory destocking since September 2020, but levels have now reached levels where inventory restocking reaches an inflection point
- Low-cost producers in the US and Middle East are becoming increasingly competitive in the environment with higher oil prices due to superior feedstock costs
- It is expected that inventory restocking paired with easing lockdowns will trigger increased volumes and spot activity when entering the latter half of 2Q and into 2H21

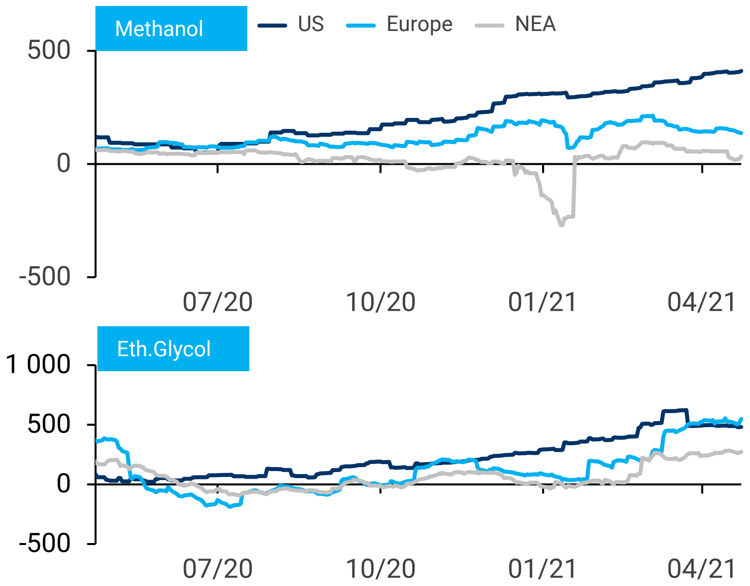
CHEMICAL FEEDSTOCK PRICE DEVELOPMENT (USD TONNE)



KEY PRODUCT INVENTORIES ASIAN IMPORTERS(MILL TONNES)

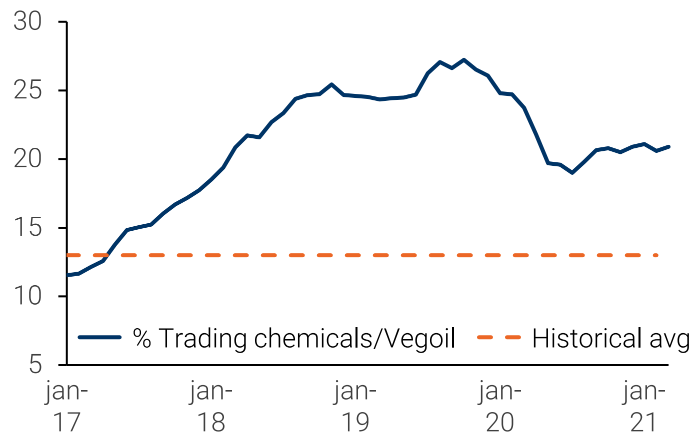


SELECTED PRODUCER MARGINS DEVELOPMENT KEY CHEMICALS



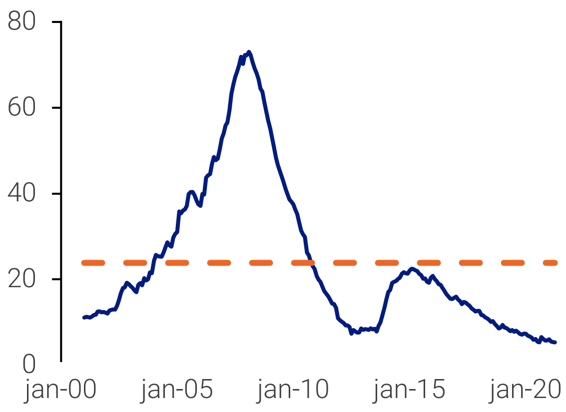
Supply dynamics

The supply outlook remains under control with a historically low orderbook while swing tonnage competition is expected to reverse in the years to come



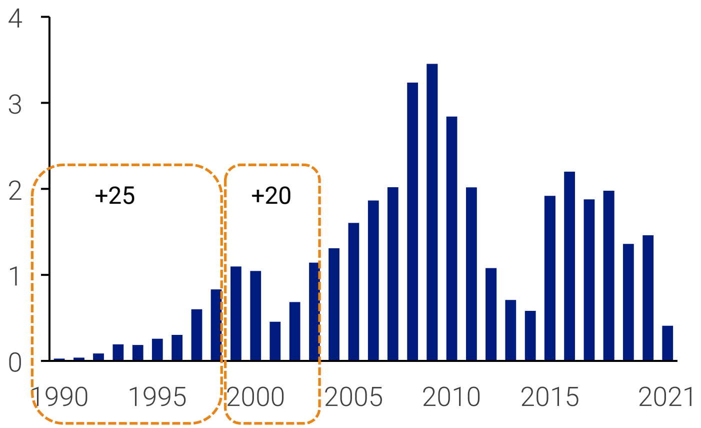
SWING TONNAGE (%)

Swing tonnage has increased the last quarter, but looks to have peaked. We expect a reversal of swing tonnage and more chemical tonnage swinging into CPP in the years to come due to stronger CPP markets



ORDERBOOK SIZE (%)

Orderbook to fleet ratio stands at 4.8% and although we have seen some orders lately, the supply growth the next years is under control



FLEET AGE DISTRIBUTION (MILL DWT)

6.1% of current chemical tankers will be above 25 years and 18% will be above 20 years by 2023

Market conclusion

Drivers	• Easing lockdowns driven by increased Covid-19 vaccinations across the globe • Strong demand from policy stimuli and US and Middle East gaining market share • Lack of order activity and aging fleet limiting supply growth the next 2-3 years • Strong indications for 2021/2022 being years of fundamental economic growth
Supply outlook	• Supply growth limited to 1% p.a. between 2021 and 2023
Demand outlook	• Demand growth of 4% p.a. between 2021 and 2023

Summary

Our results	• 1Q21 was a seasonally slower market and results were further negatively impacted by the Texas freeze
Odfjell Tankers	• Stable COA nominations and we add meaningful new COA volumes to our portfolio
Odfjell Terminals	• Improved results from previous quarter despite two force majeure events at our Houston terminal
Market outlook	• Demand growth to considerably outpace supply growth in the years to come
Guiding	• We expect to report improved results in 2Q21

Capital Markets Day – Save the date

We are happy to invite you to our annual Capital Markets Day 10 June

The event will be hosted online due to Covid-19

Separate invitation will follow

ODFJELL

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