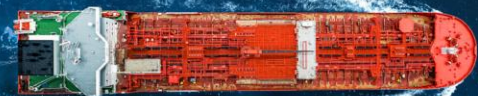




ODFJELL



Second quarter/ first half 2023 presentation

Presentation by CEO Harald Fotland & CFO Terje Iversen | August 17, 2023



Agenda

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Highlights

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Market update and prospects

Highlights 2Q23

Odfjell's robust and profitable contract portfolio contributed to another strong quarterly result.

- The time charter earnings in Odfjell Tankers ended at USD 185 mill, compared to USD 181 mill in 1Q23.
- EBIT of USD 79 mill compared to USD 68 mill in 1Q23.
- A record strong net result of USD 53 mill. Net result adjusted for one-off items was USD 53 mill compared to USD 46 mill in 1Q23.
- Rates on renewed COAs during the quarter were up 8% on average, covering 9% of estimated annual contract volume.
- Net result contribution from Odfjell Terminals increased to USD 2.3 mill compared to USD 2.0 mill in 1Q23.
- During the quarter, Odfjell has taken delivery of one newbuilding on long-term time charter and declared purchase options on two vessels currently on financial lease. One vessel was sold towards the end of 2Q23.
- Odfjell continues to reduce its environmental footprint, with record low carbon intensity (AER) of 7.01 for the controlled fleet in 2Q23.
- Dividend of USD 0.62 per share approved by the Board based on 1H23 adjusted net results.

KEY FIGURES, USD MILLION

USD million, unaudited	3Q22	4Q22	1Q23	2Q23	2Q22	YTD23
Timecharter earnings	171.3	186.5	180.5	185.1	159.9	365.6
Total opex, TC, G&A	(67.2)	(73.8)	(72.4)	(69.6)	(71.8)	(142.0)
Net result from JV's	7.6	0.2	2.0	2.3	1.5	4.3
EBITDA	111.6	112.8	110.1	117.9	89.5	228.0
EBIT	71.1	73.4	68.3	78.5	52.8	146.8
Net financial items	(20.4)	(22.0)	(20.4)	(22.8)	(21.4)	(43.2)
Net result	50.2	50.4	46.7	52.6	30.0	99.3
EPS*	0.64	0.64	0.59	0.67	0.38	1.26
ROE**	33.5%	30.2%	26.6%	29.3%	20.3%	27.3%
ROCE**	14.7%	16.4%	15.1%	17.3%	10.8%	16.4%

* Based on 79.0 million outstanding shares

** Ratios are annualized

"Odfjell delivered another strong quarter on the back of a profitable contract portfolio and solid operational performance. We expect the demand to be reduced somewhat in 3Q23 in line with seasonal effects. Further renewals of COAs should offset some of this effect and we expect only a marginal decrease in our TCE in 3Q23."

Harald Fotland, CEO Odfjell SE



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Income statement – Odfjell Group

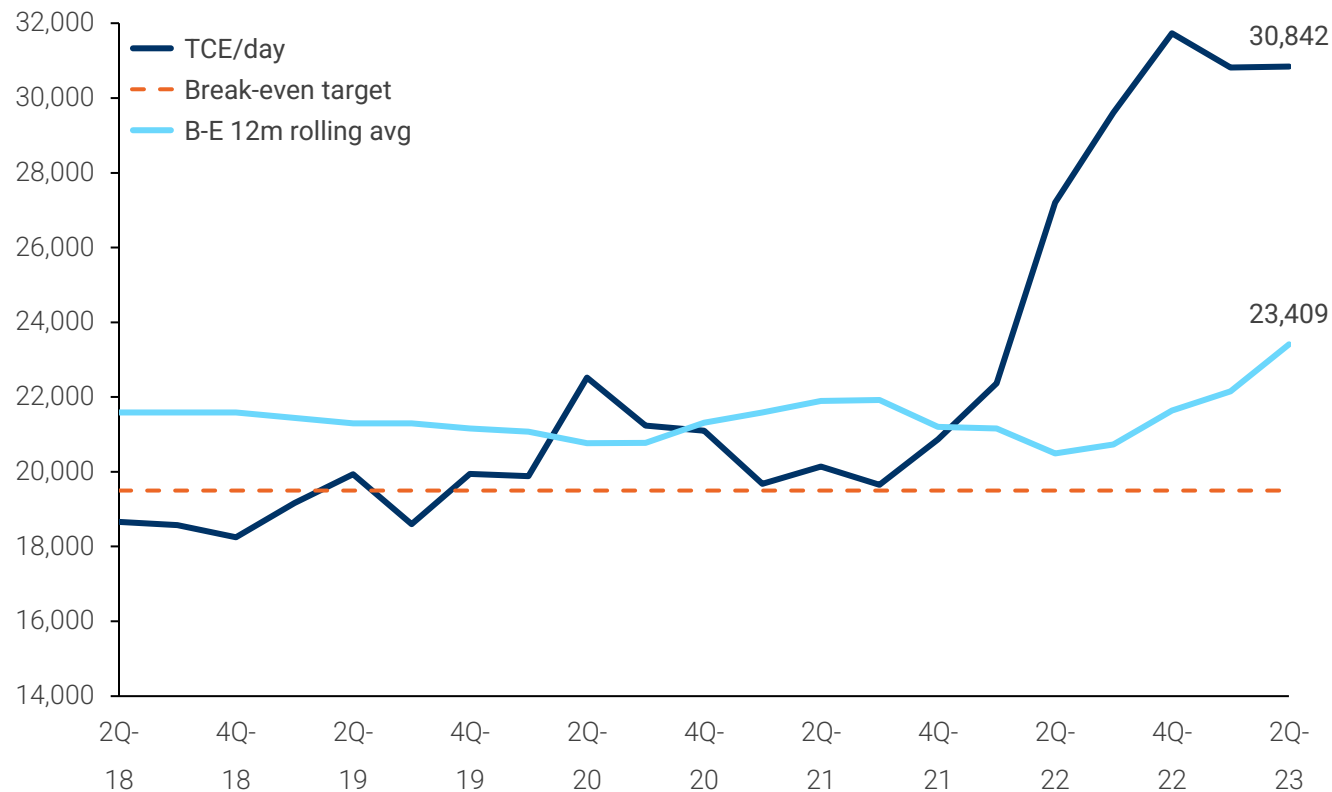
KEY QUARTERLY DEVIATIONS:

- A. TCE of USD 185 mill, an increase of USD 5 mill from 1Q23
- Slightly increased revenue days for Odfjell vessels primarily due to more calendar days in quarter.
 - The main driver behind higher TCE is more revenue days and COA volumes.
- B. Operating expenses were stable from last quarter, while G&A decreased, mainly due to seasonal effects and lower spending
- C. Contribution from Odfjell Terminals of USD 2.3 mill
- Stable development from last quarter.
- D. EBIT of USD 79 mill compared to USD 68 mill in 1Q23
- E. Increase in net interest expenses primarily due to higher interest rates (SOFR).
- F. Net result of USD 53 mill compared to USD 47 mill in 1Q23
- Adjusted net result of USD 53 mill versus USD 46 mill in 1Q23

USD MILLION	4Q22	1Q23	2Q23
Net Timecharter Earnings (TCE)	186.5	180.5	185.1
TC expenses	(4.5)	(4.3)	(4.9)
Operating expenses	(49.6)	(49.5)	(49.3)
Share of net result from associates and JV	0.2	2.0	2.3
General and administrative expenses	(19.7)	(18.6)	(15.4)
Other operating income (expense)	-	-	-
EBITDA	112.8	110.1	117.9
Depreciation	(39.3)	(41.7)	(39.3)
Capital gain (loss)	(0.1)	-	(0.1)
EBIT	73.4	68.3	78.5
Net interest expenses	(22.4)	(21.6)	(22.9)
Other financial items	0.4	1.2	0.2
Taxes	(1.0)	(1.2)	(3.2)
Net results	50.4	46.7	52.6
EPS	0.64	0.59	0.67
Commercial revenue days (exc. external pool vsIs)	5,878	5,856	5,929
Off-hire days	216	198	209

Both TCE per day and cash break-even moved sideways during the quarter

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



- Our TCE/day remained steady at USD 30 842 in 2Q23 compared to USD 30 818 in 1Q23
- This was well above cash break-even in 2Q23 at USD 23,341 per day, which was marginally lower than 1Q23, bringing the 12-month rolling average to USD 23,409
- We expect cash break-even to remain around current level for the remainder of 2023

Balance sheet per June 30, 2023 – Odfjell Group

- A. Decrease in Ship values due to the sale of one vessel, and one vessel reclassified as Assets held for sale. Increase in right of use assets as we took delivery of one new vessels on long term time charter in 2Q23
- B. Cash and cash equivalent increased with USD 45 mill. Cash including undrawn loan facilities amounts to USD 190 mill
- C. IFRS 16 adjusted equity ratio was 42% as of 2Q23
- D. Includes delivery of one new vessel on time charter as well as purchase price for vessel where option was exercised in 1Q23

ASSETS, USD MILL	4Q22	1Q23	2Q23
Ships and newbuilding contracts	1,319.6	1,308.9	1,263.1
Right of use assets	208.7	263.3	269.4
Investment in associates and JVs	167.8	168.1	166.3
Other non-current assets/receivables	25.3	22.9	25.9
Total non-current assets	1,721.5	1,763.2	1,724.6
Cash and cash equivalent	117.7	86.2	131.2
Other current assets	169.6	194.4	198.9
Total current assets	287.3	280.6	330.1
Total assets	2,008.7	2,043.8	2,054.7

EQUITY AND LIABILITIES, USD MILL	4Q22	1Q23	2Q23
Total equity	697.2	688.6	743.0
Non-current liabilities and derivatives	22.8	25.4	25.2
Non-current interest-bearing debt	739.1	724.4	704.4
Non-current debt, right of use assets	156.6	172.6	178.5
Total non-current liabilities	918.5	922.4	908.1
Current portion of interest-bearing debt	218.1	215.7	184.1
Current debt, right of use assets	63.4	101.4	101.7
Other current liabilities and derivatives	111.6	115.8	117.7
Total current liabilities	393.0	432.9	403.5
Total equity and liabilities	2,008.7	2,043.8	2,054.7

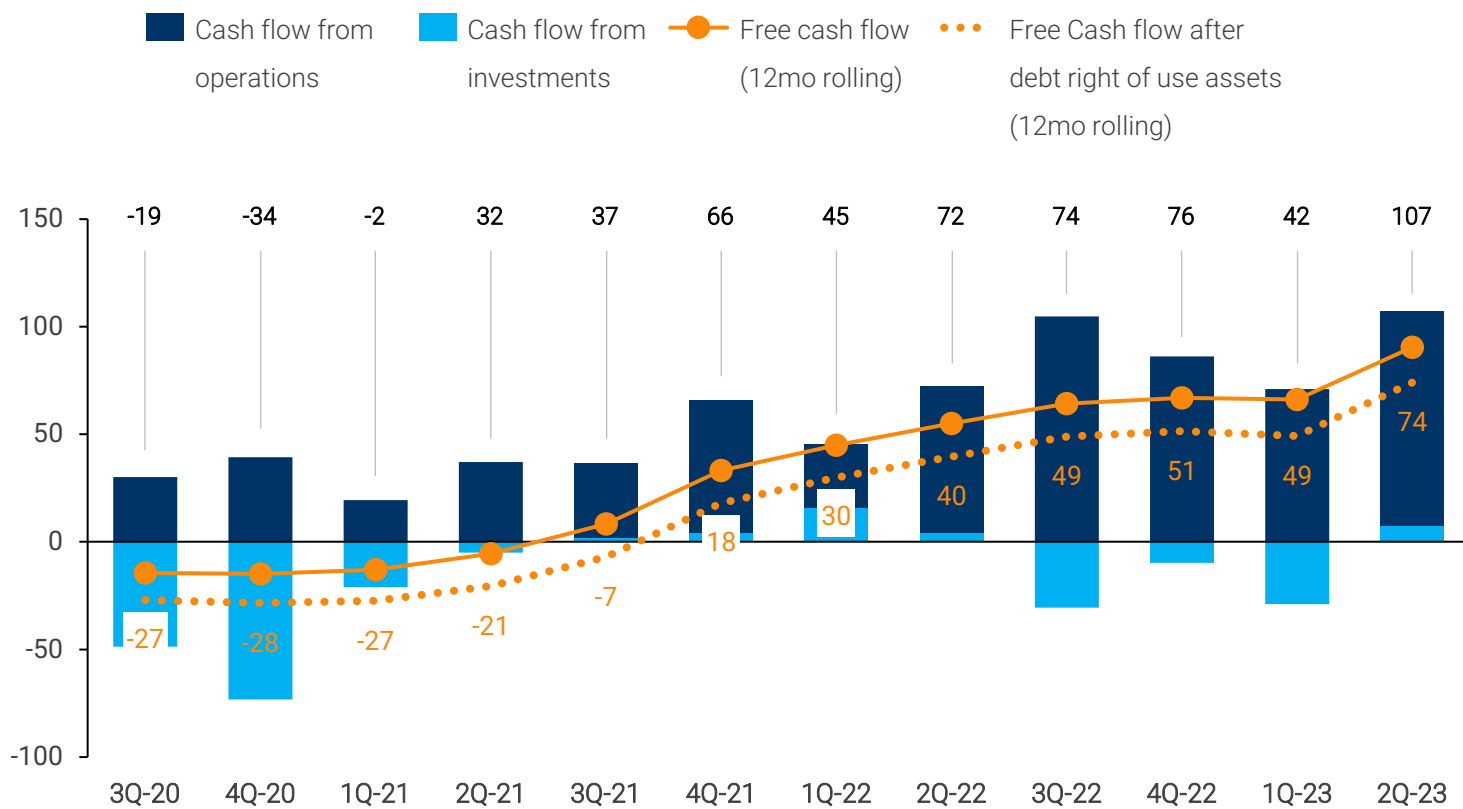
Cash Flow statement – Odfjell Group

- A. Operating cash flow increased from USD 71 mill in 1Q23 to USD 100 mill in 2Q23, primarily driven by:
- Increased time charter earnings due to more revenue days in quarter, and;
 - Decrease in working capital within expected level of quarterly variation
- B. The vessel, Bow Santos, was sold and delivered to its new owners at the start of 2Q23.
- C. Extraordinary debt repayments in 2Q23 of USD 25 mill, primarily due to sale of vessels.

Cash flow, USD mill	4Q22	1Q23	2Q23
Net profit	50.7	46.7	52.6
Adjustments	39.1	40.1	36.7
Change in working capital	(7.0)	(11.8)	6.9
Effect of exchange differences and changes in derivatives	(4.3)	1.8	(1.4)
Other	7.7	(5.8)	4.7
Cash flow from operating activities	86.2	71.0	99.5
Sale of ships, property, plant and equipment	-	-	14.4
Investments in non-current assets	(10.3)	(28.7)	(8.7)
Dividend/other from investments in Associates and JV	1.3	-	2.8
Other	(0.9)	(0.4)	(1.2)
Cash flow from investing activities	(9.8)	(29.0)	7.4
New interest-bearing debt	105.9	14.4	-
Loans from associates and joint ventures	-	-	-
Repayment of interest-bearing debt	(149.0)	(23.7)	(45.7)
Payments related to realized derivatives	-	-	-
Repayment of operational lease debt	(15.6)	(16.9)	(16.2)
Dividends	-	(47.5)	-
Net cash flow from financing activities	(58.7)	(73.4)	(61.9)
Net change in cash and cash equivalents*	18.0	(31.4)	45.0
Opening cash and cash equivalents	99.7	117.7	86.2
Closing cash and cash equivalents	117.7	86.2	131.2

Strong free cash flow in 2Q23 driven by solid results and sale of one vessel

ODFJELL FREE CASH FLOW PER QUARTER (MUSD)

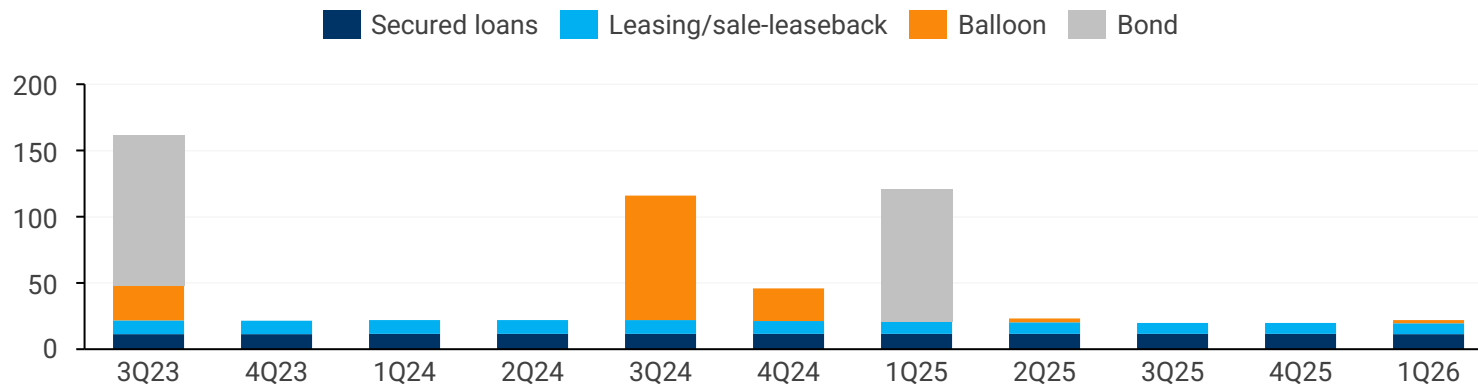


- In 2Q23, 12-month rolling free cash flow was USD 90 mill, and adjusted for debt repayments related to right of use assets it reached USD 74 mill
- Free cash flow from investments positively affected by sale of Bow Santos – USD 14.4m
- Free cash flow in 2Q23 was allocated to scheduled debt repayments, as well as strengthening of the balance sheet.
- Building liquidity ahead of upcoming repayment of bond and payment of 1H23 dividend.
- Limited CAPEX commitments going forward together with continued strong markets should result in continued strong free cash flow

Operations	30	39	19	37	35	62	30	68	105	86	71	100
Investments	-49	-73	-21	-5	2	4	15	4	-31	-10	-29	7

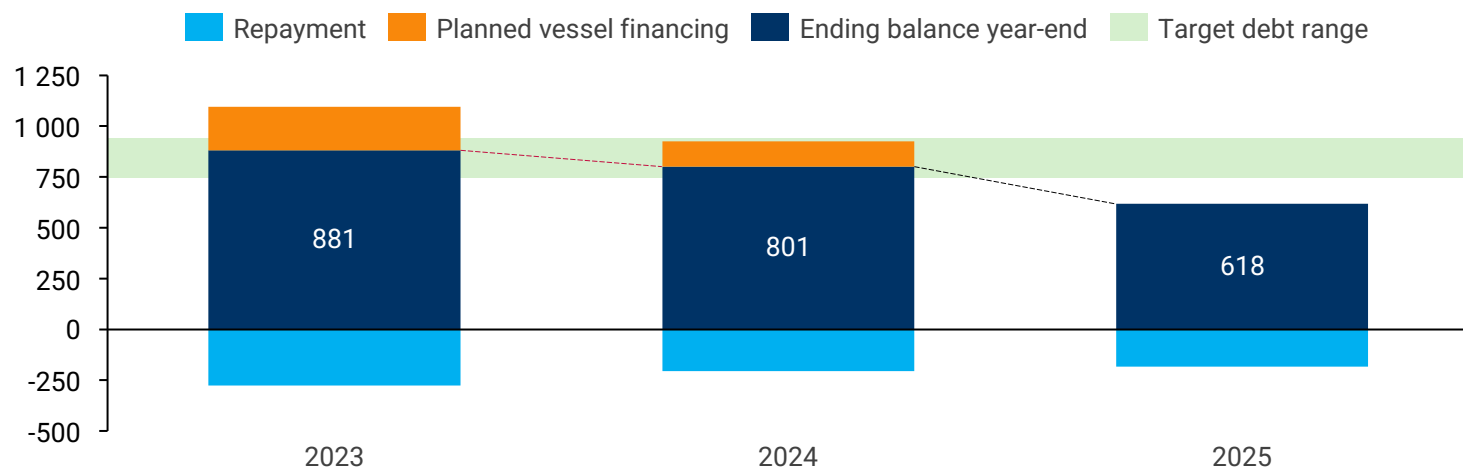
Strong operating cash flow drives accelerated deleveraging

SCHEDULED REPAYMENTS, USD MILLION



- Upcoming balloon instalments on vessel loans are being addressed. Focus on longer loan profiles to match economic age of our vessels and overall cost of capital
- Refinancing of two lease vessels in the bank market in August/September, lowering break-even by approximately USD 3,000 per day on the vessels despite a small increase in the total facility amount
- ODF10 maturing in September for total NOK 975m/USD113m will be repaid in full, funded with cash from balance sheet and part drawdown on revolving credit lines
- Nominal interest-bearing debt was USD 943 mill at quarter-end and is projected to decrease to USD 881 mill at year-end 2023 following the mentioned transactions and drawdown of a new vessel loan in October

PROJECTED INTEREST-BEARING DEBT ENDING BALANCE, USD MILLION*



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



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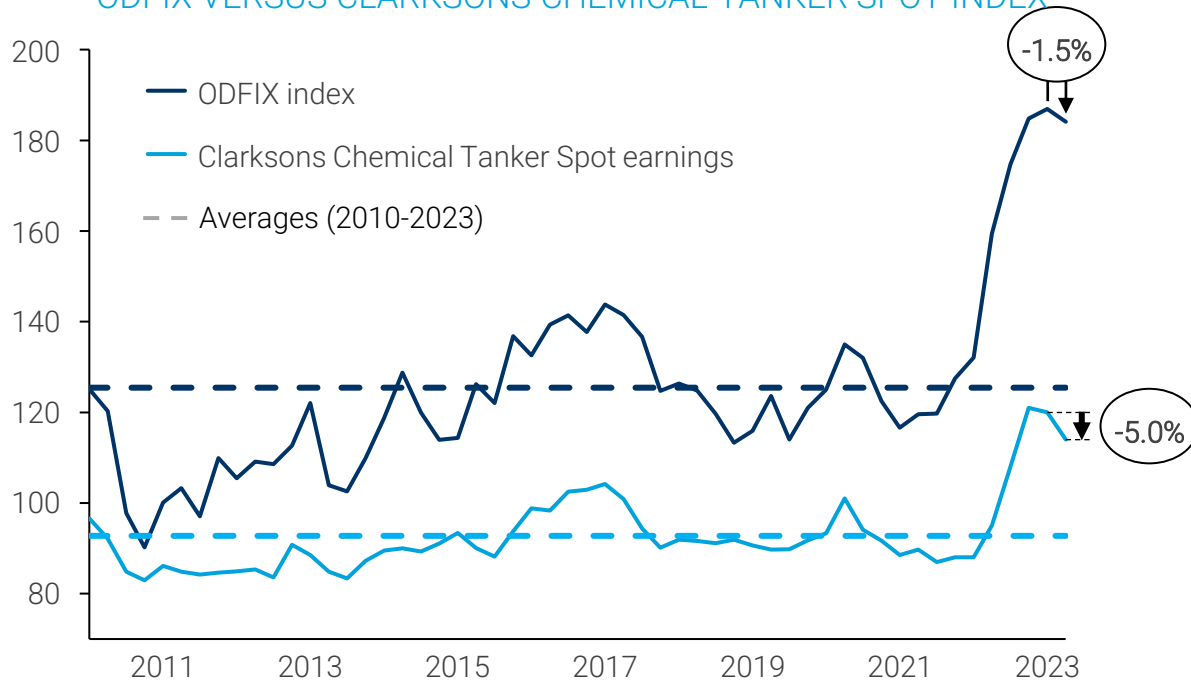
Operational review

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Market update and prospects

Despite a softer spot market, Odfjell performed well in 2Q23 due to continued improvement of COA rates

ODFIX VERSUS CLARKSONS CHEMICAL TANKER SPOT INDEX



SPECIALITIES

Healthy contract rates and resilient CoA volumes in the specialty segment support our earnings

EASY CHEMICALS

Somewhat softer spot conditions increases competition in the easy chemical space, but the easychem share of our volumes remain close to historical averages

VEGOILS

Vegoil's share of our product mix in the second quarter was 5%, with soyabean oil and UCO remaining the top contributors

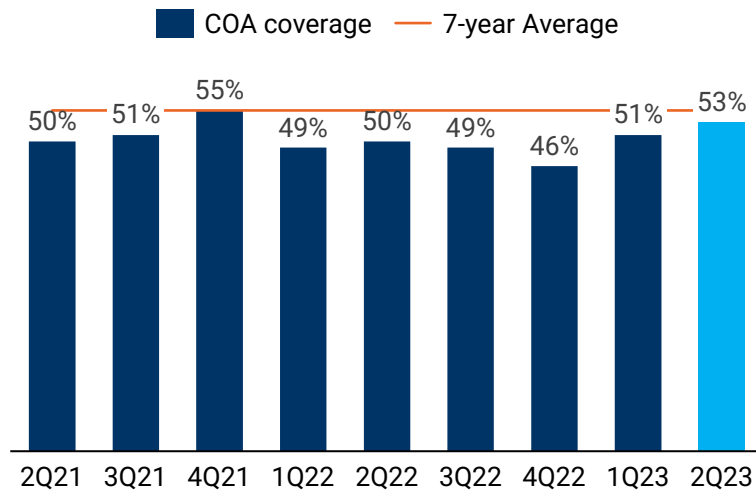
CPP

The CPP share of our product mix increased from 2% to 4% in the second quarter, closer to the historical average

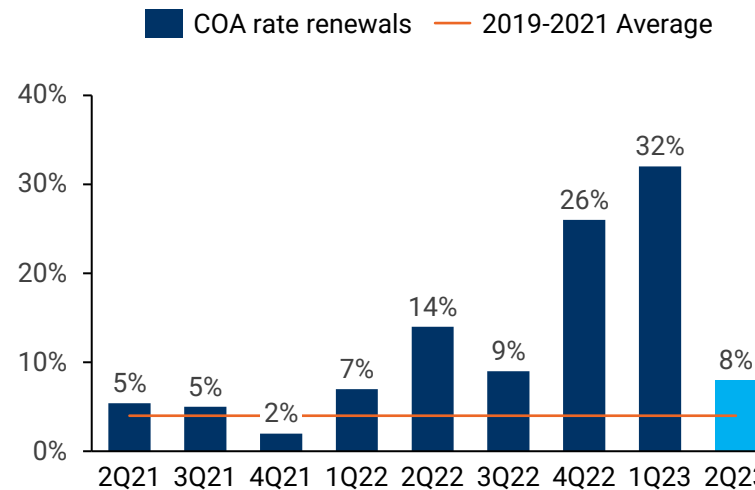
Overall volumes were stable, COA volumes increased while spot volumes were slightly down

- Our COA coverage climbed further in 2Q23, reaching 53% after an increase in COA volumes of about 92,000 tonnes
- During the quarter, a selection of existing contracts with options were renewed at an average rate increase of 8%, covering 9% of estimated annual contract volumes
- While spot markets are volatile in the short-term, the overall outlook for the chemical tanker segment remains favorable due to tight supply and a limited orderbook

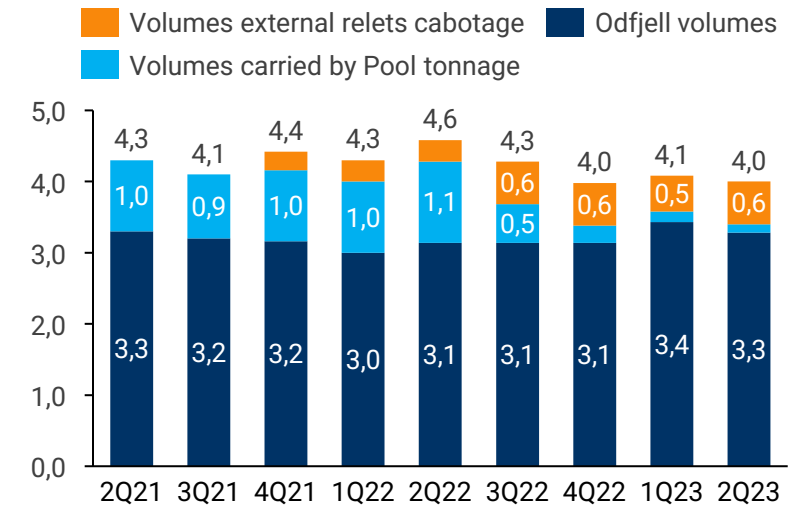
ODFJELL COA COVERAGE (%)



COA RATE RENEWALS (%)



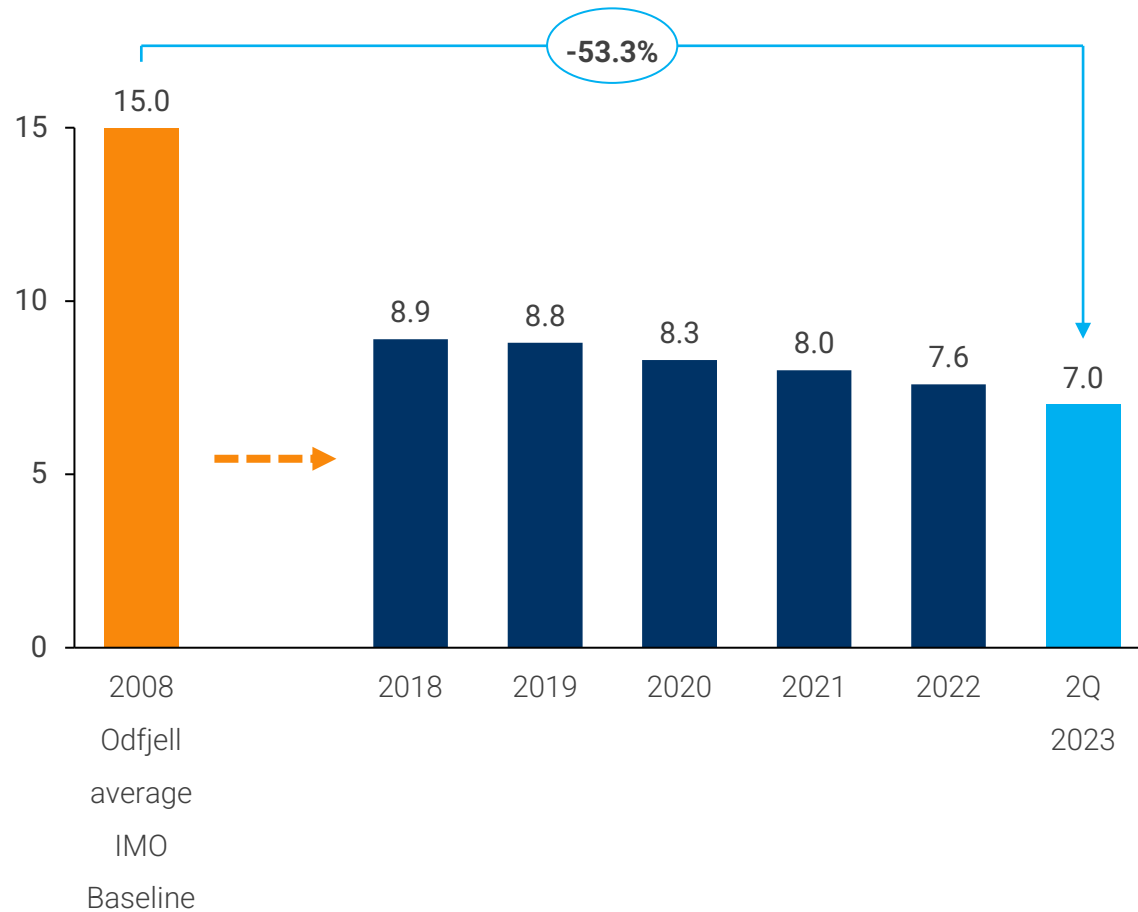
VOLUME DEVELOPMENT (MILL TONNES)



If external relets/cabotage are excluded, COA coverage 2Q23 was 62%, compared to 59% in 1Q23.

Odfjell continued to improve on our carbon intensity in 2Q23 after achieving our 2030 target in the previous quarter

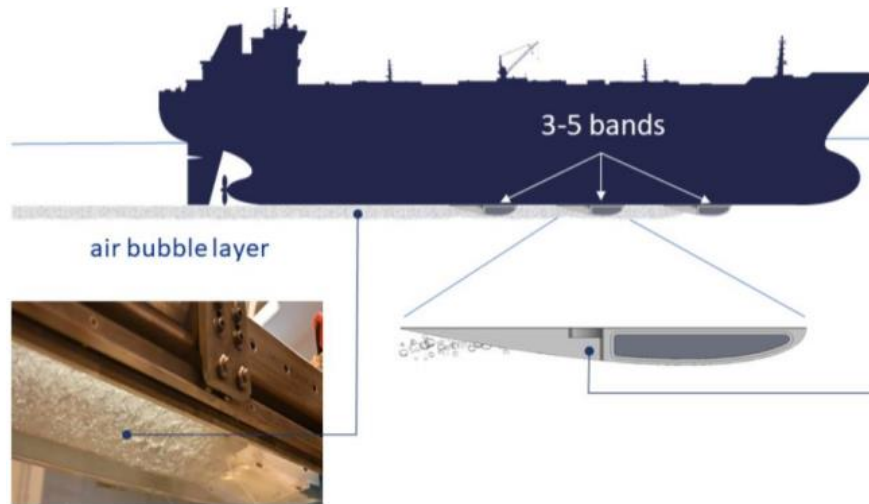
ODFJELL CARBON INTENSITY (AER)



- With an AER of 7.01 in 2Q23, Odfjell maintained a carbon intensity more than 50 percent below IMO's 2008 baseline. A benchmark first reached in the previous quarter.
- Odfjell is committed to retain our market leadership within energy efficiency. We have several ongoing novel technology initiatives with rollout targeted from 2H, 2023. These will deliver further efficiency gains without mandating extensive dry dockings or substantial capex.

Odfjell moves forward with novel technology to further reduce our carbon footprint

Air lubrication



Suction sails



- Air lubrication – to be installed on Bow Summer in 4Q23
 - We expect net CO2 reductions between 6-8% (to be verified in the pilot)
- Suction sails – to be installed on first vessel in 1H24
 - Expected fuel savings of 9% on average, but with potential for significantly higher savings on trades with favorable wind conditions

Tank Terminals



PERFORMANCE

- 2Q23 EBITDA ended slightly above the previous quarter.
- Our terminals in Antwerp and Charleston continued to operate at full capacity in 2Q23. Our terminals in Houston and Ulsan experienced a quarter-on-quarter increase in commercial occupancy rates.
- The average commercial occupancy rate for the portfolio ended at 97.6% in 2Q23. This represents the highest quarterly average achieved since 2020.



MARKET DEVELOPMENT

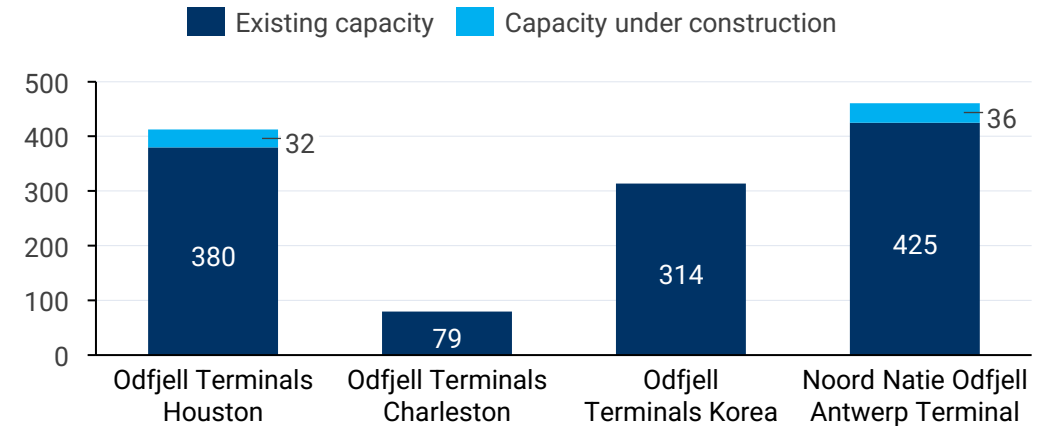
- 2Q23 saw reduced throughput, with leading chemical producers reporting somewhat lower activity.



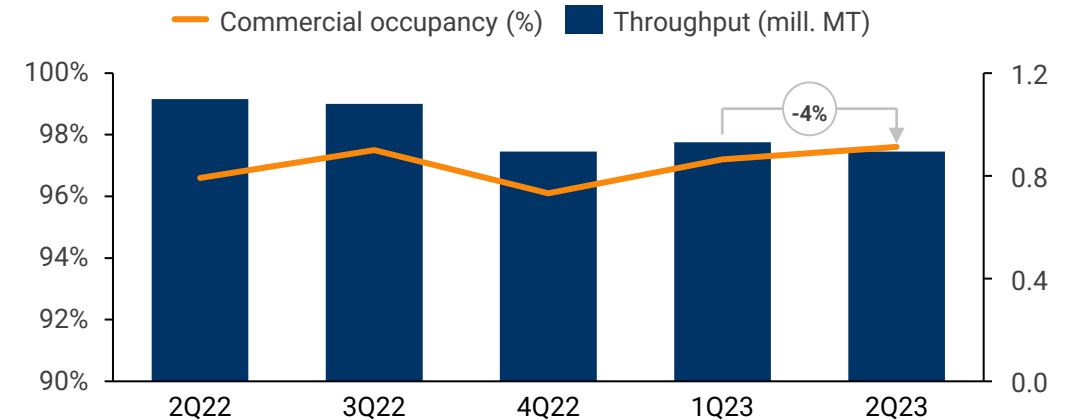
OUTLOOK

- Our terminals still experience strong demand for storage capacity, partly due to European and US producers having high inventories.
- We therefore expect the portfolio's commercial occupancy rates to remain resilient for the remainder of the year.

TOTAL CAPACITY AT ODFJELL TERMINALS (1,000 CBM)



COMMERCIAL OCCUPANCY AND THROUGHPUT



An aerial photograph of a large cargo ship sailing on a deep blue ocean. The ship is moving from left to right, leaving a white wake behind it. The water's surface is textured with small waves and ripples.

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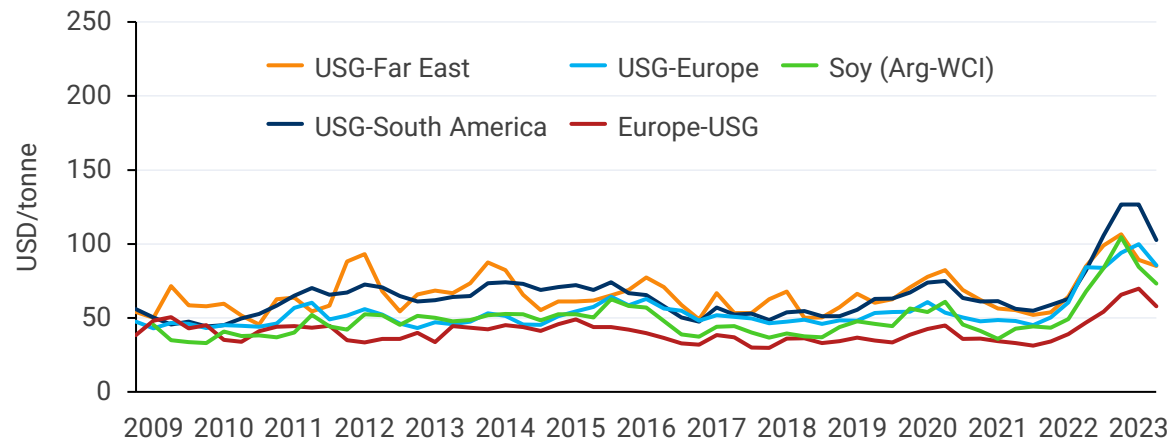
Market update and prospects

2Q23: Spot markets softened across most trades, but still at strong levels. The weakening has not continued so far in 3Q23

2Q23 highlights west of Suez –

- Following a softer CPP market, chemical tanker spot rates fell in 2Q23
- The trade lanes USG-South America and vegoil from South-America to West Coast India saw the largest decreases

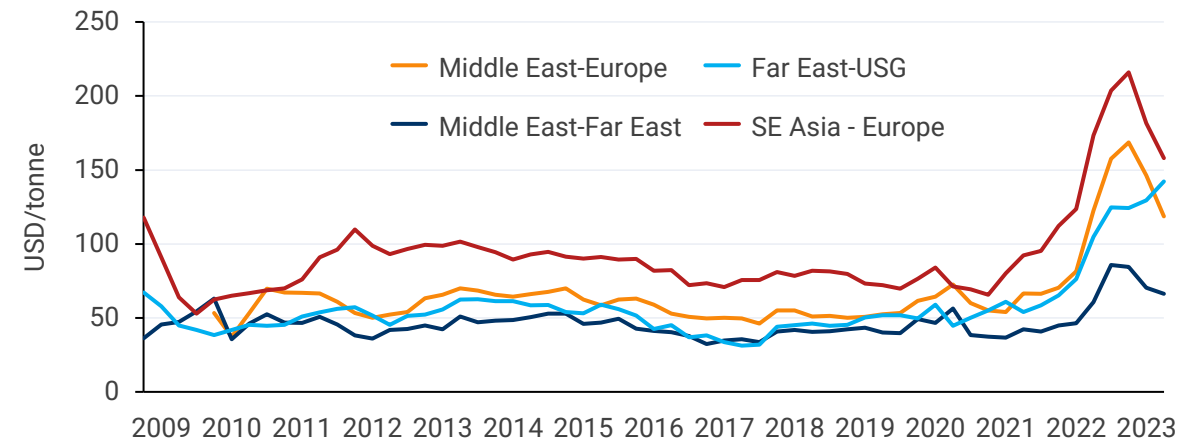
WEST OF SUEZ – CHEMICAL FREIGHT RATES, BUNKER ADJUSTED



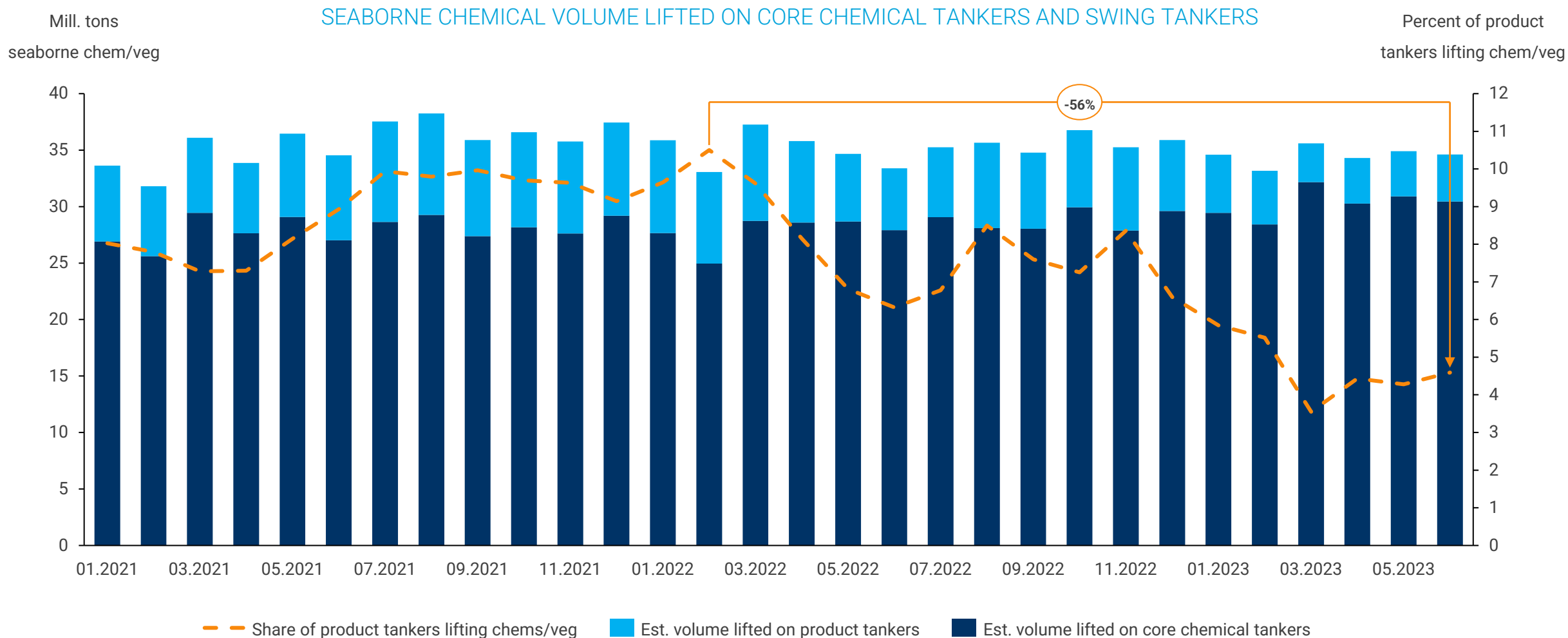
2Q23 highlights east of Suez –

- Spot rates east of Suez weakened, although remaining well above historical averages
- While we saw some improvements in the Intra Asia/MEG trades in 2Q23, the trade lanes from Asia to Europe and the US remained challenging with reduced volumes

EAST OF SUEZ – CHEMICAL FREIGHT RATES, BUNKER ADJUSTED



The share of product tankers lifting chemicals remains muted, but has grown since its low in March – overall chem/veg volumes are stable



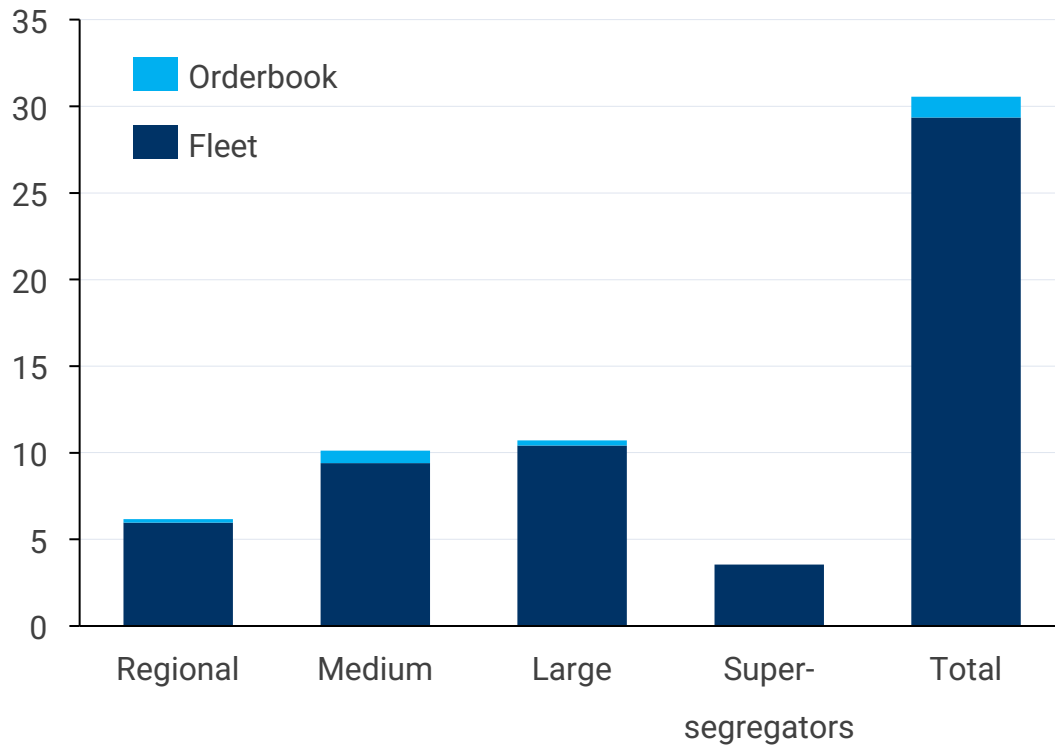
Product tanker definition: Tankers that are not defined as core chemical tankers, and that carry clean products or chemicals/vegetables

Source: Kpler, CKB Fleet

Orderbook is at historical low levels, especially for vessels in our core segment of larger stainless steel vessels

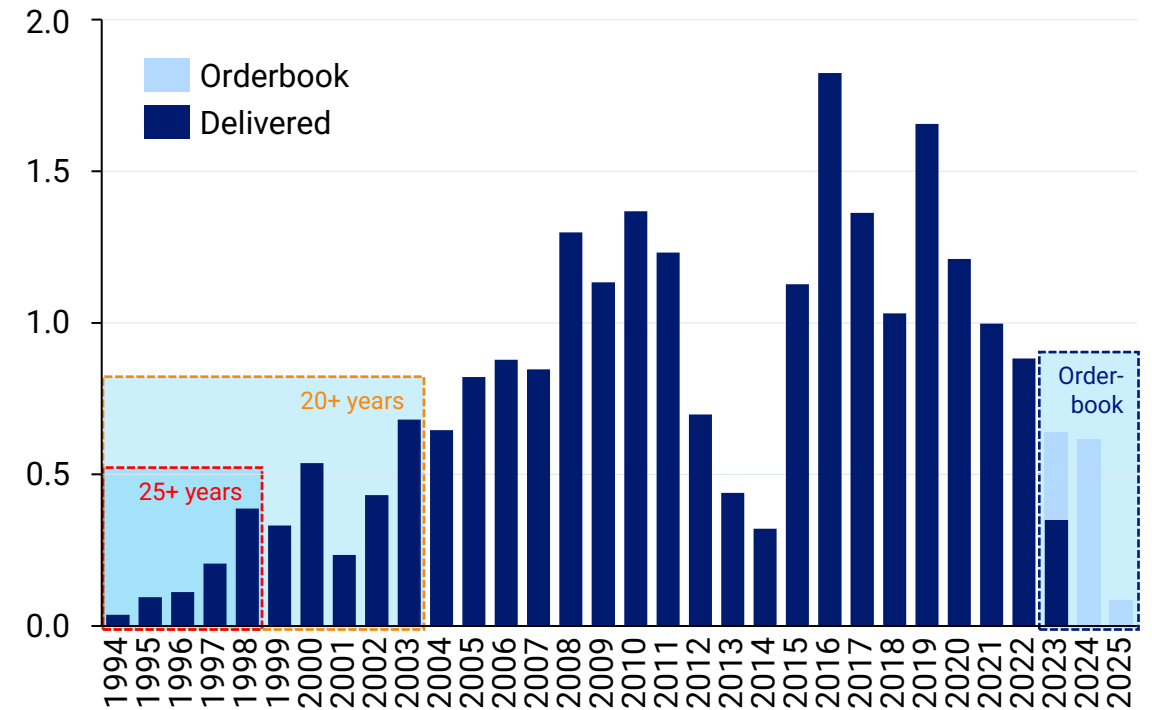
FLEET AND ORDERBOOK | CORE CHEMICAL TANKERS

DWT mill.



ORDERBOOK AND DELIVERIES | CORE CHEMICAL TANKERS, DEEP-SEA

DWT mill.



- Total orderbook (in DWT) at 4.1% of the current core chemical tanker fleet
- Average fleet age is 13 years, and 16% of the fleet is currently 20 years or older

Spot market somewhat softer, but fundamentals remain favorable and should continue to support a firm market balance

EXTERNAL FACTORS' IMPACT GOING FORWARD

MACROECONOMIC

- Interest rates still increasing, inflation still high but showing signs of decline
- Disappointing Chinese economic activity post re-opening
- Consumer demand has rotated from goods to services
- Producers are cautious with softer downstream demand and fear of higher energy prices ahead of European winter

DEMAND OUTLOOK

2Q

3Q

- Chemical production (tonnes) → ↘
- Distance producer to market (n.miles) → →

SUPPLY OUTLOOK

2Q

3Q

- Chemical tanker fleet growth → →
- Swing tonnage impact on chem trade → →
- Older chem tonnage leaving core trades → ↘
- Average fleet speed → →



Summary

Our results

- 2Q23 was yet another strong quarter for Odfjell, supported by a robust and profitable COA portfolio.

Odfjell Tankers

- Stable development from previous quarter, with slight increase in COA volumes and benefitting from strong COA renewals in previous two quarters. Record strong TCE result, and above previous quarter as 2Q23 has more revenue days.

Odfjell Terminals

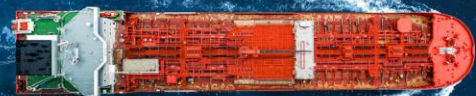
- Stable performance at our terminals.

Market outlook

- Somewhat slower demand, with weaker Chinese economic activity and higher interest rates having a cooling effect. Yet, fundamentals remain favorable, with a record low orderbook.

Guiding

- The summer months are seasonally slower, and we therefore expect TCE results for 3Q23 to be slightly below 2Q23. We expect underlying results from Odfjell Terminals to remain stable in 3Q23.



Contact

Investor Relations:

Nils Jørgen Selvik | Tel: +47 920 39 718 | Email: nils.Jorgen.selvik@odfjell.com

Media:

Anngun Dybsland | Tel: +47 415 48 854 | Email: media@odfjell.com

ODFJELL SE | Conrad Mohrs veg 29 | P.O. Box 6101 Postterminalen | 5892 Bergen | Norway
Tel: +47 55 27 00 00 | Email: mail@odfjell.com