Agenda

- Odfjell at a glance
- How do we perform
- Market outlook
- Capital allocation
Established in 1914
Core business is shipping and storing of bulk liquid chemicals
One of the world’s leading operators of deep-sea stainless steel chemical tankers

Super-segregators are our core vessels (61% of book values)
About 50-60% of earnings are covered by contracts and remaining spot
Ownership split between owned, timechartered and vessels in management

18 chemical tank terminals through owned and related parties
We have restructured our tank terminal division since 2016
Tankers and Terminals combined gives competitive advantage

Stronger balance sheet
Equity book value of USD 564 mill as of 30.06.2019
Invested capital split between 73% in Tankers and 27% in Terminals
We are fundamentally exposed to the same market fluctuations as crude and product tankers, but the industrial nature of our segment differentiates us...

Feedstocks for the products we ship are primarily derived from Oil, Gas and Agricultural sector

Interchangeable fleets lead to correlation with crude and product tankers

Most humans are in contact with products that were once transported on our vessels
Our fleet generally trades in fixed and known patterns, which means efficiency and unit cost are key

Odfjell is a critical part of the logistic chain for the chemical industry
No single customer accounts for more than 10% of our freight revenue
Significant number of "evergreen" contracts where key parameters are renewed annually
We differ from other tanker trades by operating mainly in a fixed liner pattern and therefore operate our vessels more like a "bus operator"
Our core vessels are sophisticated and serve complex trades with contracted high-margin products which results in less volatility and downside in rates.

Source: Clarksons Platou, Odfjell
Chemical production sites
Storage terminals
Seaborne transport
Storage terminals
Distribution to end-user or internal further processing

Resource retrieval
Base petrochem. refineries
Chemical production sites
Domestic distribution
Export
Rail/truck/pipe/barge

- Available routes
- Voyage durations [days]
- Regularity/predictability
- Spot/CoA and freight rates
- Lot sizes

- Available routes
- Lead times [days]
- Incoterms
- Lot sizes

- Storage location(s)
- Inbound/outbound modalities
- Asset base/capacities
- Speed and efficiency
- Customer service
- Inventory targets
- Inventory max/min
- Inventory class max

- Safety stocks
- Production schedule
- Production capacity

- Customer demand
- Discretionary demand
- Customer approvals
- Substitutions

Supply chain for US exporter of chemicals (illustrative)

Chemical supply chain challenges:
- Supply chain complexity is growing
- Cost efficiency increasingly important
- Pressure to improve asset productivity
- Growing US & MEG production creates price pressure for Asia and Europe producers
- Increased seaborne trade versus domestic production create logistics bottlenecks

Odfjell adds improvements through:
- Improving operational efficiencies for Odfjell and our customers
- Improving predictability for Odfjell and our customers’ services
- Reducing berth congestion at Odfjell Terminals
- Reducing port time and uncertainty for Odfjell Tankers
- Improving customers’ and own competitiveness in a commoditized market

Being one of few tanker companies having access to tank terminals secures valuable insight into our customers’ value chain and synergy with tankers

Odfjell at a glance
Market outlook
Capital allocation
How do we perform

Being one of few tanker companies having access to tank terminals secures valuable insight into our customers’ value chain and synergy with tankers

Chemical supply chain challenges:
- Supply chain complexity is growing
- Cost efficiency increasingly important
- Pressure to improve asset productivity
- Growing US & MEG production creates price pressure for Asia and Europe producers
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- Improving predictability for Odfjell and our customers’ services
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- Reducing port time and uncertainty for Odfjell Tankers
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Our markets appear to have turned in 2018. As a result, we have not pursued low rate COA’s and thereby increased our exposure to the spot market.

- 2Q19 was the strongest quarter reported by Odfjell Tankers since 3Q16
- Based on our view of a firming market, we have decided not to pursue low COA rate renewals
- This adds higher exposure to firming spot rates – Every USD1,000/per day change in day rates impacts our net profit by USD 27 mill

Spot rates on main tradelanes have increased since 3Q18
- We have renewed a large share of our COA volumes at 6% higher rates...
- ...We believe this is a reflection of a market consensus of a continued recovery in our markets
In recent years, we have made several changes to the company to ensure that Odfjell has one of the most competitive platforms in the industry.

Recent focus:

- OPEX (USD/day)
- G&A (USD mill)
- Fuel consumption (t/day)
- Terminal restructuring (USD mill)
- Terminals profit (ROIC)
- Fleet renewal & growth (Vessels)

Future focus:

- Fleet efficiency
  - Odfjell operates the most efficient and competitive stainless steel tanker fleet in the world, which will be used to provide efficient and competitive services
- Odfjell Terminals
  - Complete restructuring of terminal division
  - Accretive growth in Odfjell Terminals Houston
- Market Outlook
  - Robust demand outlook and limited supply growth
  - Some macro concerns
- Capital allocation
  - All newbuilds fully funded
  - De-leveraging (market dependent)
  - Dividends (market dependent)
Our recent tonnage renewal and growth initiatives are done at what looks like an attractive point on the asset curve...

1. **Newbuildings**
   - Ordered six newbuildings at Hudong Shipyard
   - Delivery between July 2019 and September 2020
   - Values for similar vessel are up 15% since our orders

2. **Long-term TC**
   - Two newbuildings concluded on long-term Timecharter
   - Vessels were delivered in October 2018 and January 2019
   - Replacing chartered vessels at 20% lower charter-in rate

3. **Long-term BB**
   - Two newbuildings concluded on long-term Bareboat
   - Delivery in December 2019 and July 2020
   - Replacing chartered vessel at 20% lower rate and growth

4. **CTG transaction**
   - Acquired 5 vessels and formed a pool with 5 CTG vessels
   - All vessels have been delivered and are now operated by Odfjell
   - Purchase options on CTG vessels and receive profit splits

5. **Sinochem transaction**
   - 4 vessels on long-term BB and formed a pool with 4 SC vessels
   - Purchase options and profit splits on SC vessels
   - BB rates secured 30% below comparable charters in our fleet

Investment timing secures attractive returns also in weak markets

Source: Clarksons Platou, Odfjell
..and the improvements in our portfolio have also lowered our costs and increased our efficiency and unit cost...
We have replaced 28 vessels in our portfolio in the recent two years, which makes our fleet the most energy efficient in the world.

The efficiency index measures how cost effective our fleet is relative to peers. This ensures that Odfjell is a natural counterpart for chemical majors competing in a commoditized market, where Odfjell ensures that they can remain competitive.

There have been major changes in fuel consumption of basic chemical tankers the last 20 years. This creates higher barriers for older tonnage to compete with modern tonnage. Odfjell is therefore constantly focused on improving the efficiency and performance of our fleet.
We are in the process of restructuring our terminal portfolio and setup, when Asia is completed we will have a simple structure and a healthy portfolio.

We have sold five terminals and accumulated USD 365 mill of cash proceeds and USD 94 mill of equity gains.

The sales have been concluded at attractive valuations and have made it possible to achieve our fleet initiatives in Odfjell Tankers.

We have also simplified our organizational structure with Odfjell Terminals now being 100% controlled from our headquarter, and formed two separate 51% owned JV's with Odfjell Terminals US and Odfjell Terminals Asia. We are now better positioned to make clear strategic priorities.

* Reflecting current capacity at the terminal
Our Houston terminal is our key asset, due to the concentration of the chemical industry in Houston – logistically Houston is also Tankers biggest challenge.

- Area available for expansion has been focused towards ethylene export project that has been shelved.
- Due to strong storage demand, we are now looking at expanding conventional storage at available land.
- Parts of the expansion would require the need for all new infrastructure as well as a new ship dock.
- The terminal is ideally located outside the Houston ship channel, an area which logistically is Tankers biggest challenge.
- ...And several incidents within the channel have altered players strategy in selecting storage facilities that could favor our terminal.
- We are currently working on developing the project together with our partners.

Odfjell Terminals Houston is fully utilized... With available land for expansion... in an area with a strong demand outlook.
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A large number of new export-oriented plants are ramping up, and a firming tanker market could impact swing tonnage significantly and reduce supply

Fundamental drivers:

- Weak product tanker rates have resulted in 25% of MR’s (world fleet of 1,480 vessels) trading chems/vegoils...
- This compares to a historical average of 13%...
- ...It’s widely expected that product tanker rates will recover in 4Q19 and this might reverse this trend
- New organic chemical capacity expansions in the US and Middle East expected to peak between 4Q19 and 2Q20...
- The largest ramp-ups will be initiated end-3Q19...
- This will coincide with peak-palm oil export season and normal seasonality in the tanker markets

Rate development:

- Comments:
  - Weak product tanker rates have resulted in 25% of MR’s (world fleet of 1,480 vessels) trading chems/vegoils...
  - This compares to a historical average of 13%...
  - ...It’s widely expected that product tanker rates will recover in 4Q19 and this might reverse this trend
  - New organic chemical capacity expansions in the US and Middle East expected to peak between 4Q19 and 2Q20...
  - The largest ramp-ups will be initiated end-3Q19...
  - This will coincide with peak-palm oil export season and normal seasonality in the tanker markets

Source: Odfjell, ICIS, Clarksons
Orderbook is at multi-year low and IMO 2020 is a disruptive event that could lead to reduced swing tonnage, accelerated scrapping and slowsteaming.

- Fleet growth is declining for both core and swing/other segment after several years of high fleet growth following orders placed in 2014-2015.
- Limited new orders the last 18 months and appears like appetite for new orders are low.
- Orderbook ratio at 6.6%, which implies average supply growth of 2.2% p.a by 2021 before adjusting for:
  - Scrapping
  - Removal of swing tonnage (IMO 2020)
  - Slowsteaming in the event of elevated bunker prices (IMO 2020)
  - New orders
- Long-term supply: Environmental regulations seem to trigger new propulsion systems and designs – This might caution the shipping industry to make large orders for vessels running on fossil fuels into 2020.

Source: Clarksons Platou, Odfjell
Market outlook conclusion: 2018 appears as the turning point. Supply growth is slowing while demand prospects look robust

Demand
- Spot rates have maintained its momentum from end of 4Q18, but have now stabilized
- Spot rate momentum has positively impacted momentum for COA rate renewals
- Peak start-up of new chemical capacity to impact the market from 4Q19 until 2Q20
- Peak palm oil season and expected improvement in CPP from 4Q19
- Continued downgrades of global GDP growth with downside highlighted
- A global recession could impact the ongoing chemical tanker recovery
- Middle East tension with limited impact on the market as of yet

Key directional drivers in 4Q19
- Continued downgrades of global GDP growth with downside highlighted
- A global recession could impact the ongoing chemical tanker recovery
- Middle East tension with limited impact on the market as of yet

GDP & Middle East tensions
- 6.6% orderbook to fleet ratio and 2020 fleet growth now limited to 1.4%
- Eight new orders placed during the quarter, first order since July 2018

Supply
- 1% increase in swing tonnage due to weak CPP market and strong Vegoil market
- A stronger CPP market from 4Q19 expected will move chemical tankers into CPP
- Increased bunker costs likely to be passed on to customers
- Increased bunker costs potentially accelerating scrapping
- Biggest effect from IMO 2020 would be reduced swing tonnage from CPP tonnage
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- Odfjell at a glance
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We have improved our cost base and fleet composition - Our capital allocation will now be focused on de-leveraging and dividends

### De-leveraging with a target to reduce daily break-even levels

<table>
<thead>
<tr>
<th>Description</th>
<th>Today, USD mill</th>
<th>Target range, USD mill</th>
<th>USD/day effect:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secured and amortized debt</td>
<td>860</td>
<td>500, 650</td>
<td>Reduction: USD 850/day</td>
</tr>
<tr>
<td>Non-amortising debt</td>
<td>263</td>
<td>200, 250</td>
<td>Reduction: USD 0-250/day</td>
</tr>
<tr>
<td>Average amortization profile</td>
<td>5.7 years</td>
<td>8.0 years</td>
<td>Reduction: USD 2,200/day</td>
</tr>
<tr>
<td>Unencumbered assets, including undrawn revolvers</td>
<td>25</td>
<td>75</td>
<td>Reduction: USD 200/day</td>
</tr>
<tr>
<td>Total debt</td>
<td>1,100</td>
<td>750, 900</td>
<td>Reduction: USD 3,250/day</td>
</tr>
</tbody>
</table>

Today, USD mill

Target range, USD mill

USD/day effect:
Our long-term break-even target range translates into sustainable cash flow generation across all cycles and secures flexibility on capital allocation.

* Reflecting 2021 fleet composition (fully invested) and cash flow generated after all expenses paid (TCE revenues less opex, G&A, interest cost and 2021 amortisation schedule). Cash flow is based on how the fleet and capital structure would look like in 2021 as of today, and is therefore subject for change.
Odfjell SE - Summary

Exposed to some of the same cyclicality as the tanker market but we also differ, with lower downside risk and a more stable performance.

Our performance

We operate one of the world’s most efficient stainless steel fleets and have made accretive divestments of non-core terminals.

Market outlook

Robust demand picture due to regional shift, and supply growth is very limited. Swing tonnage could quickly reduce real supply and help a recovery.

Capital allocation

De-leveraging and dividends.
Q&A
Key quarterly deviations:

- TC revenues improved due to stronger performance in Odfjell Tankers
- Lower timecharter expenses due to redelivery of vessels with higher timecharter rates and some vessels have not been replaced
- Lower G&A in Odfjell Tankers driven by currency effects (USD1.2 mill) and seasonally lower costs during the quarter
- Odfjell Tankers EBITDA improved by USD 10 mill compared to previous quarter
- USD 1.6 mill impairment in Odfjell Terminals related to the Ethylene project in Houston, as this project did not materialize
- Adjusted for non-recurring items, adjusted EPS for Odfjell was USD –0.10 compared to adjusted EPS of USD –0.20 in the previous quarter

### Income statement¹ – Odfjell Group by division 2Q19

<table>
<thead>
<tr>
<th>USD mill</th>
<th>Tankers</th>
<th>Terminals</th>
<th>Total*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenue</td>
<td>1Q19</td>
<td>2Q19</td>
<td>1Q19</td>
</tr>
<tr>
<td></td>
<td>218.3</td>
<td>223.1</td>
<td>238.3</td>
</tr>
<tr>
<td>Voyage expenses</td>
<td>(90.2)</td>
<td>(88.4)</td>
<td>(91.2)</td>
</tr>
<tr>
<td>Pool distribution</td>
<td>(13.0)</td>
<td>(16.0)</td>
<td>(13.0)</td>
</tr>
<tr>
<td>Timecharter Earnings</td>
<td>115.2</td>
<td>118.7</td>
<td>234.1</td>
</tr>
<tr>
<td>TC expenses</td>
<td>(15.4)</td>
<td>(10.7)</td>
<td>(15.4)</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(37.2)</td>
<td>(37.1)</td>
<td>(44.6)</td>
</tr>
<tr>
<td>Operating expenses – IFRS 16 adjusted</td>
<td>(5.3)</td>
<td>(5.6)</td>
<td>(5.3)</td>
</tr>
<tr>
<td>G&amp;A</td>
<td>(17.6)</td>
<td>(15.4)</td>
<td>(21.6)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>39.7</td>
<td>49.9</td>
<td>67.2</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(22.7)</td>
<td>(22.8)</td>
<td>(28.1)</td>
</tr>
<tr>
<td>Depreciation – IFRS 16 adjusted</td>
<td>(11.4)</td>
<td>(12.4)</td>
<td>(11.5)</td>
</tr>
<tr>
<td>Impairment</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Capital gain/loss</td>
<td>(0.2)</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>EBIT</td>
<td>5.4</td>
<td>14.4</td>
<td>0.8</td>
</tr>
<tr>
<td>Net interest expenses</td>
<td>(20.1)</td>
<td>(20.9)</td>
<td>(21.6)</td>
</tr>
<tr>
<td>Other financial items</td>
<td>0.6</td>
<td>0.5</td>
<td>0.6</td>
</tr>
<tr>
<td>Net finance</td>
<td>(19.4)</td>
<td>(21.4)</td>
<td>(16.1)</td>
</tr>
<tr>
<td>Taxes</td>
<td>(1.2)</td>
<td>(1.1)</td>
<td>(1.5)</td>
</tr>
<tr>
<td>Net results</td>
<td>(15.2)</td>
<td>(8.0)</td>
<td>(2.7)</td>
</tr>
<tr>
<td>EPS</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Voyage days</td>
<td>6,293</td>
<td>6,308</td>
<td>–</td>
</tr>
</tbody>
</table>

¹ Proportional consolidation method *Total includes contribution from Gas Carriers now classified as held for sale
# Annual P&L\(^1\) – Odfjell Group by division

<table>
<thead>
<tr>
<th>USD mill</th>
<th>Tankers</th>
<th>Terminals</th>
<th>Total*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenue</td>
<td>832.4</td>
<td>842.5</td>
<td>850.8</td>
</tr>
<tr>
<td>Voyage expenses</td>
<td>(275.6)</td>
<td>(319.2)</td>
<td>(356.6)</td>
</tr>
<tr>
<td>TC expenses</td>
<td>(164.1)</td>
<td>(194.9)</td>
<td>(146.4)</td>
</tr>
<tr>
<td>Pool distribution</td>
<td>-</td>
<td>-</td>
<td>(23.9)</td>
</tr>
<tr>
<td>Opex</td>
<td>(133.1)</td>
<td>(135.5)</td>
<td>(145.4)</td>
</tr>
<tr>
<td>G&amp;A</td>
<td>(71.8)</td>
<td>(68.0)</td>
<td>(69.7)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>187.7</td>
<td>125.0</td>
<td>108.7</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(89.6)</td>
<td>(89.0)</td>
<td>(95.3)</td>
</tr>
<tr>
<td>Impairment</td>
<td>(12.7)</td>
<td>(21.9)</td>
<td>(5.0)</td>
</tr>
<tr>
<td>Capital gain/loss</td>
<td>12.7</td>
<td>(0.1)</td>
<td>-</td>
</tr>
<tr>
<td>EBIT</td>
<td>98.1</td>
<td>14.0</td>
<td>8.1</td>
</tr>
<tr>
<td>Net finance</td>
<td>(22.2)</td>
<td>(50.6)</td>
<td>(74.6)</td>
</tr>
<tr>
<td>Taxes</td>
<td>(7.1)</td>
<td>(2.3)</td>
<td>(4.8)</td>
</tr>
<tr>
<td>Net result</td>
<td>68.8</td>
<td>(38.9)</td>
<td>(71.4)</td>
</tr>
<tr>
<td>EPS</td>
<td>0.88</td>
<td>(0.49)</td>
<td>(0.91)</td>
</tr>
</tbody>
</table>

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1. Proportional consolidation method  
   * Total includes contribution from Gas Carriers now classified as held for sale
## Balance sheet 30.06.2019<sup>1</sup> - Odfjell Group

<table>
<thead>
<tr>
<th>Assets, USD mill</th>
<th>1Q19</th>
<th>2Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ships and newbuilding contracts</td>
<td>1,354.0</td>
<td>1,345.0</td>
</tr>
<tr>
<td>Rights of use assets</td>
<td>216.8</td>
<td>231.3</td>
</tr>
<tr>
<td>Investment in associates and JVs</td>
<td>172.1</td>
<td>169.8</td>
</tr>
<tr>
<td>Other non-current assets/receivables</td>
<td>26.7</td>
<td>25.9</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td><strong>1,769.8</strong></td>
<td><strong>1,772.0</strong></td>
</tr>
<tr>
<td>Cash and cash equivalent</td>
<td>138.6</td>
<td>104.6</td>
</tr>
<tr>
<td>Current receivables</td>
<td>99.3</td>
<td>110.1</td>
</tr>
<tr>
<td>Other current assets</td>
<td>23.4</td>
<td>25.8</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>261.3</strong></td>
<td><strong>240.6</strong></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>2,031.1</strong></td>
<td><strong>2,012.6</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Equity and liabilities, USD mill</th>
<th>1Q19</th>
<th>2Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total equity</td>
<td>583.5</td>
<td>564.2</td>
</tr>
<tr>
<td>Non-current interest bearing debt</td>
<td>891.9</td>
<td>865.4</td>
</tr>
<tr>
<td>Non-current interest bearing debt, right of use assets</td>
<td>175.2</td>
<td>188.1</td>
</tr>
<tr>
<td>Non-current liabilities and derivatives</td>
<td>23.3</td>
<td>28.2</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td><strong>1,090.3</strong></td>
<td><strong>1,081.8</strong></td>
</tr>
<tr>
<td>Current portion of interest bearing debt</td>
<td>218.9</td>
<td>224.6</td>
</tr>
<tr>
<td>Current portion of interest bearing debt, right of use assets</td>
<td>43.3</td>
<td>46.6</td>
</tr>
<tr>
<td>Other current liabilities and derivatives</td>
<td>95.1</td>
<td>95.4</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>357.3</strong></td>
<td><strong>366.6</strong></td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td><strong>2,031.1</strong></td>
<td><strong>2,012.6</strong></td>
</tr>
</tbody>
</table>

- Increase in right of use assets relates to delivery of one vessel on long-term bareboat charter during the quarter
- Reduced cash position mainly as a result of repayment of debt and a temporary increase in working capital

---

1. Equity method
## Cash flow – 30.06.2019 – Odfjell Group

<table>
<thead>
<tr>
<th>Cash flow, USD mill</th>
<th>1Q19</th>
<th>2Q19</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit</td>
<td>(14.9)</td>
<td>(9.5)</td>
<td>(209.3)</td>
</tr>
<tr>
<td>Adjustments</td>
<td>33.8</td>
<td>35.8</td>
<td>104.6</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>(5.8)</td>
<td>(14.8)</td>
<td>(20.6)</td>
</tr>
<tr>
<td>Other</td>
<td>(1.9)</td>
<td>5.7</td>
<td>167.9</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>11.2</td>
<td>17.2</td>
<td>42.6</td>
</tr>
<tr>
<td>Sale of ships, property, plant and equipment</td>
<td>2.0</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Investments in non-current assets</td>
<td>(17.4)</td>
<td>(14.3)</td>
<td>(193.9)</td>
</tr>
<tr>
<td>Dividend/ other from investments in Associates and JV’s</td>
<td>–</td>
<td>–</td>
<td>81.1</td>
</tr>
<tr>
<td>Other</td>
<td>0.1</td>
<td>(0.1)</td>
<td>14.0</td>
</tr>
<tr>
<td><strong>Cash flow from investing activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(15.3)</td>
<td>(14.2)</td>
<td>(98.8)</td>
</tr>
<tr>
<td>New interest bearing debt</td>
<td>20.5</td>
<td>(0.6)</td>
<td>301.3</td>
</tr>
<tr>
<td>Repayment of interest bearing debt</td>
<td>(35.8)</td>
<td>(24.8)</td>
<td>(267.8)</td>
</tr>
<tr>
<td>Payment of operational lease debt</td>
<td>(9.9)</td>
<td>(11.3)</td>
<td></td>
</tr>
<tr>
<td>Dividends</td>
<td>–</td>
<td>–</td>
<td>(14.6)</td>
</tr>
<tr>
<td>Other</td>
<td>–</td>
<td>–</td>
<td>(1.2)</td>
</tr>
<tr>
<td><strong>Cash flow from financing activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(25.2)</td>
<td>(36.7)</td>
<td>17.7</td>
</tr>
<tr>
<td>Net cash flow*</td>
<td>(29.3)</td>
<td>(33.6)</td>
<td>(39.0)</td>
</tr>
</tbody>
</table>

- Improved operating cash flow despite temporary increase in working capital
- Final equity investment for newbuildings made in 2Q19 (USD 6 mill)

1. Equity method
2. * After FX effects
We have a network of 6 terminals with a mix of mature and growth terminals

<table>
<thead>
<tr>
<th>Region</th>
<th>Terminal</th>
<th>Storage capacity (in k CBM)</th>
<th>Start-up Year</th>
<th>Revenues USD mill</th>
<th>EBITDA USD mill</th>
<th>ROIC (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>Antwerp (NNOT)</td>
<td>382</td>
<td>Non-operated</td>
<td>11</td>
<td>5</td>
<td>16.9%</td>
</tr>
<tr>
<td></td>
<td>Houston (OTH)</td>
<td>380</td>
<td>1983</td>
<td>40</td>
<td>17</td>
<td>14.8%</td>
</tr>
<tr>
<td></td>
<td>Charleston (OTC)</td>
<td>79</td>
<td>2013</td>
<td>6</td>
<td>2</td>
<td>8.4%</td>
</tr>
<tr>
<td>Asia</td>
<td>Ulsan (OTK)</td>
<td>314</td>
<td>2002</td>
<td>5</td>
<td>2</td>
<td>5.7%</td>
</tr>
<tr>
<td></td>
<td>Dalian (OTD)</td>
<td>120</td>
<td>1998</td>
<td>4</td>
<td>3</td>
<td>18.9%</td>
</tr>
<tr>
<td></td>
<td>Jiangyin (OTJ)</td>
<td>100</td>
<td>2007</td>
<td>2</td>
<td>1</td>
<td>4.2%</td>
</tr>
<tr>
<td></td>
<td>Tianjin (ONTT)</td>
<td>138</td>
<td>2016</td>
<td>1</td>
<td>0</td>
<td>-1.7%</td>
</tr>
<tr>
<td>South America</td>
<td>Peru, Argentina, Brazil</td>
<td>553</td>
<td>Related party</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Global</td>
<td></td>
<td>2,066</td>
<td></td>
<td>69</td>
<td>32*</td>
<td>9.1%</td>
</tr>
</tbody>
</table>

1. All USD figures represent Odfjell SE’s ownership share and is based on FY 2018, 25% ownership share at NNOT included.
2. Total EBITDA excludes global management fee allocation being booked at Odfjell Terminals BV (Holding company).
3. ROIC includes global management fee allocation.
Scheduled repayments and planned refinancing, USD mill

Gross debt ending balance, USD mill

- Installments and capital repayments on mortgage loans and financial leases totaled USD 25 mill in 2Q19
- We have completed attractive financing to redeem the bond maturing in September
- Secured several refinancing's with extended repayment profiles

- Debt to increase in 2020 due to delivery of newbuildings
- Focus remains on reducing debt to lower our break-even levels...
- Timing of reaching our targets is market dependent
We paid USD 6 mill of instalments on newbuildings during the quarter.

We have secured financing for all chemical tanker newbuildings and no equity instalments remain.

The first newbuilding from Hudong was delivered in August 2019.

We have no capital commitments for chemical tankers beyond 2020.

Other chemical tanker investments for the next three years amount to about USD 10 mill, mainly related to installation of ballast water treatment systems.

We expect the average annual docking capitalization to be about USD 15 million in the years ahead.

Odfjell Terminals maintenance capex for the next three years amounts to about USD 4 mill.

### Capital expenditure programme – 30.06.2019

<table>
<thead>
<tr>
<th>USD mill</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chemical Tanker newbuildings</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hudong 4 x 49,000 dwt (USD 60 mill)</td>
<td>128</td>
<td>42</td>
<td>–</td>
</tr>
<tr>
<td>Hudong 2 x 38,000 dwt (USD 58 mill)</td>
<td>6</td>
<td>87</td>
<td>–</td>
</tr>
<tr>
<td>Total</td>
<td>134</td>
<td>129</td>
<td>–</td>
</tr>
<tr>
<td><strong>Instalment structure - Newbuildings</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt installment</td>
<td>134</td>
<td>129</td>
<td>–</td>
</tr>
<tr>
<td>Equity installment</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Tank Terminals (Odfjell share)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Planned expansion capex</td>
<td>3</td>
<td>**</td>
<td>**</td>
</tr>
</tbody>
</table>

* Tank Terminals to be self-funded meaning no cash flow from Odfjell SE to meet guided capital expenditures – Tank terminal Capex listed in table is expansions that will impact our P&L.

**Our capital expenditure programme for the US will be updated when a new strategy has been concluded together with our new JV partner at the US terminals.
Thank you