Third Quarter presentation 2018

November 9 2018

Agenda

- Highlights
- Financials
- Operational review/Strategy
- Prospects and Market update

Highlights

- The chemical tanker market remained largely unchanged from previous quarter, and also on terminals the markets remained unchanged
- EBITDA of USD 32 mill, compared with USD 37 mill in 2Q18, which was impacted by the sale of the Rotterdam terminal
- EBITDA of USD 27 mill from Odfjell Tankers compared to USD 28 mill in 2Q18
- EBITDA of USD 4 mill from Odfjell Terminals compared to USD 9 mill in 2Q18. Adjusting for the Rotterdam terminal, results were unchanged compared to 2Q18
- Net result of USD -31 mill compared to USD -120 mill in last quarter before adjusting for non-recurring items
- Completion of Sinochem transaction with four vessels to be delivered on bareboat charter
- Successful placement of unsecured bond of NOK 500 mill in September
- Concluded the sale of our Rotterdam terminal in September

Key figures, USD mill[1]

(USD mill, unaudited)	4Q17	1Q18	2Q18	3Q18	3Q17	FY17	FY16
Odfjell Tankers	213.2	211.6	209.0	**208.8**	207.6	842.5	832.4
Odfjell Terminals	28.4	25.2	25.9	**22.6**	27.0	110.8	122.7
Revenues*	**243.5**	**238.9**	**236.7**	**233.7**	**236.7**	**961.7**	**967.2**
Odfjell Tankers	30.6	26.9	28.0	**26.8**	28.0	125.0	187.7
Odfjell Terminals	9.9	6.3	8.9	**3.9**	8.7	38.4	46.5
EBITDA*	**40.8**	**33.9**	**37.2**	**31.5**	**37.3**	**165.8**	**237.6**
EBIT	97.3	2.9	(52.9)	**(13.5)**	3.6	132.8	144.6
Net profit	104.3	(12.2)	(120.0)	**(31.2)**	(10.5)	90.6	100.0
EPS**	**1.33**	**(0.15)**	**(1.53)**	**(0.40)**	**(0.13)**	**1.15**	**1.27**
ROE***	16.4%	(6.3%)	(22.3%)	**(13.8%)**	(7.0%)	11.8%	14.6%
ROCE***	10.9%	0.6%	(5.4%)	**(1.5%)**	0.5%	8.8%	7.9%

**Includes figures from Odfjell Gas*
*** Based on 78.6 million outstanding shares*
**** Ratios are annualised*

"The chemical tanker market remained depressed during the quarter, but we continue to believe that 2018 is the turning point for the chemical tanker markets. Adjusting for the Rotterdam terminal, our terminal division delivered stable results. We have positioned ourselves well for the future, both within tankers and terminals, with one of the most energy efficient fleets in the world"

Kristian Mørch, CEO Odfjell SE

1. Proportional consolidation method

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Income statement[1] – Odfjell Group by division

USD mill	Tankers		Terminals		Total*	
	2Q18	3Q18	2Q18	3Q18	2Q18	3Q18
Gross revenue	209.0	208.8	25.9	22.6	236.7	233.7
Voyage expenses	(85.2)	(89.9)	-	-	(86.0)	(90.9)
TC expenses	(37.6)	(33.3)	-	-	(37.6)	(33.3)
Pool distribution	(4.6)	(6.3)	-	-	(4.6)	(6.3)
Opex	(35.9)	(36.6)	(13.2)	(12.5)	(49.7)	(49.7)
G&A	(17.7)	(15.9)	(3.8)	(6.1)	(21.5)	(22.1)
EBITDA	28.0	26.8	8.9	3.9	37.2	31.5
Depreciation	(24.3)	(24.4)	(8.0)	(7.4)	(32.3)	(31.8)
Impairment	-	-	(58.1)	-	(58.1)	-
Capital gain/loss	0.2	(0.6)	-	(12.5)	0.2	(13.1)
EBIT	3.9	1.9	(57.1)	(16.1)	(52.9)	(13.5)
Net interest expenses	(16.5)	(17.8)	(2.4)	(2.4)	(19.0)	(20.4)
Other financial items	(2.2)	4.4	(2.1)	0.4	(4.4)	4.8
Net finance	(18.8)	(13.4)	(4.5)	(2.0)	(23.5)	(15.6)
Taxes	(1.2)	(0.5)	(42.4)	(1.7)	(43.6)	(2.2)
Net result	(16.2)	(12.0)	(104.0)	(19.8)	(120.0)	(31.2)
EPS	(0.21)	(0.15)	(1.32)	(0.25)	(1.53)	(0.40)

Key quarterly deviations:

- TC expenses reduced by USD 4.3 mill compared to 2Q18, as redeliveries of tc vessels continue
- Gross revenues in Odfjell Terminals impacted by the Rotterdam terminal due to the oil spill in the Rotterdam harbour
- Higher G&A in Odfjell Terminals related to the sale of Rotterdam and restructuring costs of Odfjell Terminals
- USD 12.5 mill in capital loss mainly related to currency translation loss at the Rotterdam terminal
- USD 2.7 mill in tax losses in Odfjell Terminals related to Odfjell Terminals B.V.sale of the Rotterdam terminal
- The Rotterdam terminal contributed with a loss of USD -19.4 mill during the quarter.
- Adjusted for non-recurring items related to the OTR sale and other financial items, our net profit for 3Q18 was USD -18 mill compared to USD -14 mill previous quarter

1. Proportional consolidation method * Total includes contribution from Gas Carriers now classified as held for sale

Balance sheet 30.09.2018 – Odfjell Group

Assets, USD mill	2Q18	3Q18
Ships and newbuilding contracts	1 379.1	1 373.4
Investment in associates and JVs	245.1	243.1
Other non-current assets/receivables	26.2	27.9
Total non-current assets	1 650.3	1 644.1
Cash and cash equivalent	192.9	206.8
Other current assets	118.2	132.6
Total current assets	311.1	339.5
Total assets	**1 961.4**	**1 983.9**

Equity and liabilities, USD mill	2Q18	3Q18
Total equity	665.2	652.0
Non-current liabilities and derivatives	8.3	8.3
Non-current interest bearing debt	975.1	907.2
Total non-current liabilities	983.4	915.5
Current portion of interest bearing debt	210.6	310.6
Other current liabilities and derivatives	102.2	105.7
Total current liabilities	312.8	416.4
Total equity and liabilities	**1 961.4**	**1 983.9**

- Balance sheet effect on Rotterdam transaction will increase cash & cash equivalents by around USD 88 mill in 4Q18. Investments in associates and JVs to be reduced by the equivalent amount
- Increased short-term debt mainly due to September 2019 bond re-classified as short-term debt

1. Equity method

* New leasing standard (IFRS 16) to be implemented from January 2019. We have done a simulation on how this will effect figures of Odfjell SE in note 1 of our quarterly report

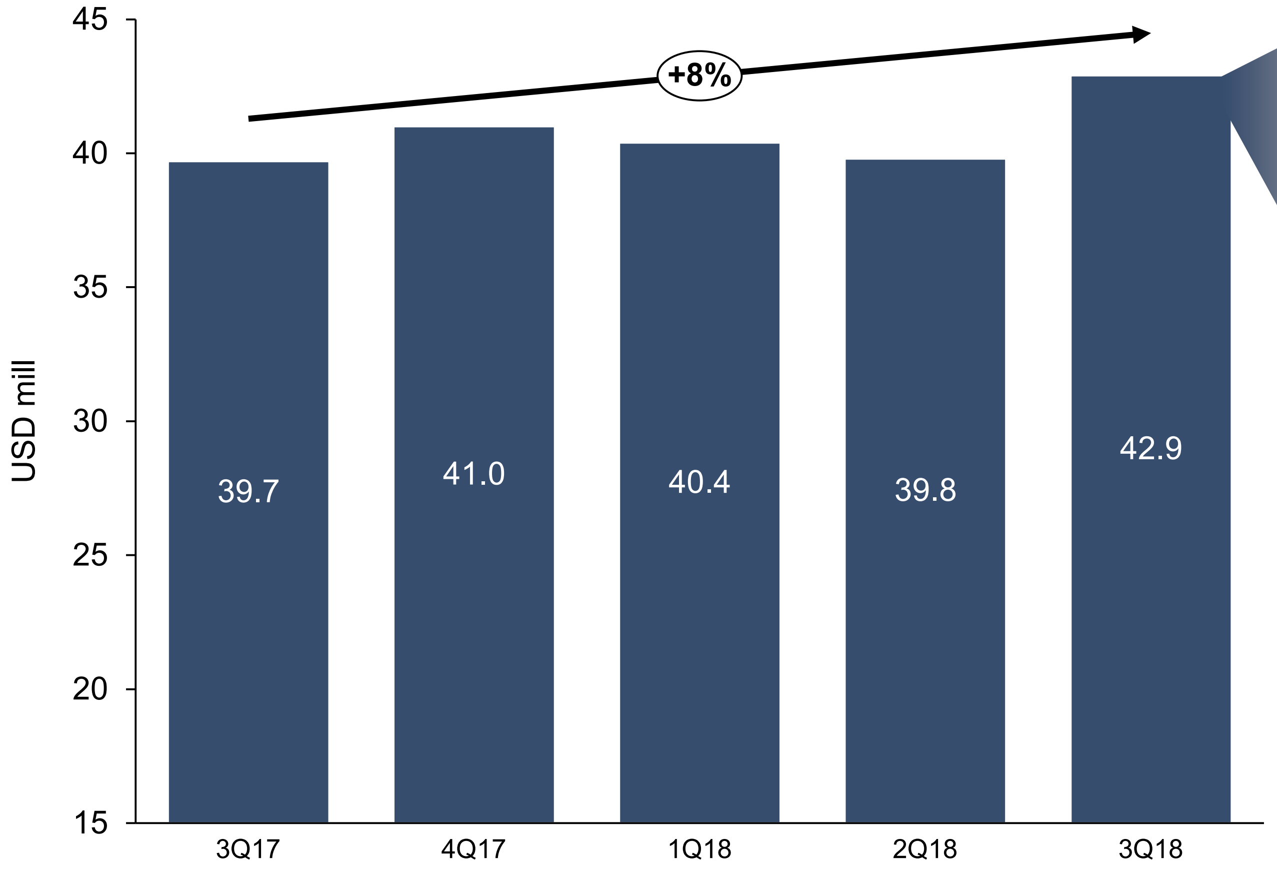
Cash flow – 30.09.2018 – Odfjell Group[1]

Cash flow, USD mill	1Q18	2Q18	3Q18	FY17
Net profit	(12.5)	(119.9)	(30.9)	83.8
Adjustments	22.2	23.7	18.4	100.2
Changes in working capital	2.8	(2.4)	(16.9)	5.7
Other	(2.0)	118.4	33.5	(135.7)
Cash flow from operating activities	**10.5**	**19.8**	**4.1**	**54.0**
Sale of non-current assets	-	-		4.0
Investments in non-current assets	(83.4)	(48.5)	(18.3)	(173.2)
Dividend/other from investments in Associates and JV's	-	-	-	117.1
Other	(0.9)	4.8	(1.0)	26.5
Cash flow from investing activities	**(84.2)**	**(43.8)**	**(19.3)**	**(25.6)**
New interest bearing debt (net of fees paid)	78.0	119.8	64.7	343.1
Repayment of interest bearing debt	(28.8)	(69.8)	(34.4)	(310.4)
Dividends	-	(14.6)	-	(13.9)
Other	(1.4)	(0.1)	-	(5.7)
Cash flow from financing activities	**47.8**	**35.4**	**30.3**	**13.1**
Net cash flow*	(25.2)	11.5	13.9	41.2

- Cash flow from operating activities of USD 2.8 mill during the quarter. Changes in working capital the main deviation to 2Q18
- New interest bearing debt includes new senior unsecured bond issue concluded in September

1. Equity method
2. * After FX effects

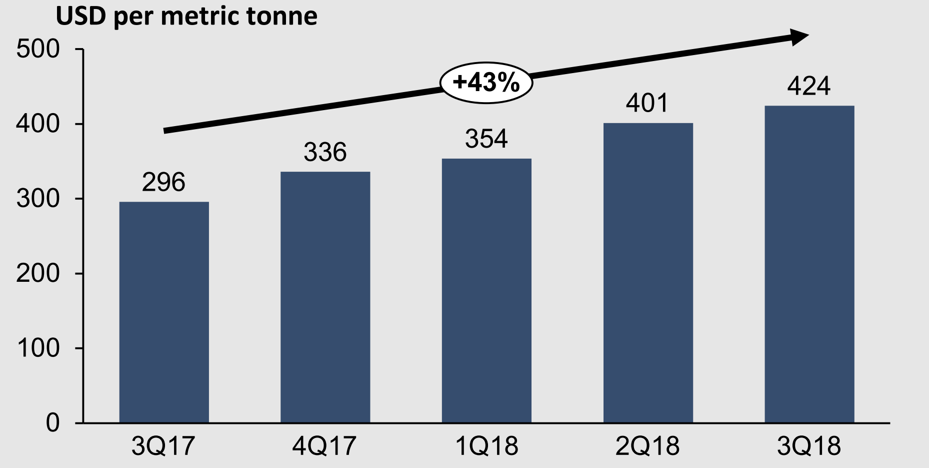
Bunker expenses – 30.09.2018 – Odfjell Tankers



	3Q17	4Q17	1Q18	2Q18	3Q18
Gross bunker cost	35.9	39.9	42.6	43.7	50.0
Financial hedging	(0.4)	(0.6)	-	-	-
Adj. Clauses	4.2	1.7	(1.0)	(1.9)	(4.2)
3rd party vessels	-	0.0	(1.2)	(2.0)	(3.0)
Net bunker cost	39.7	41.0	40.4	39.8	42.9

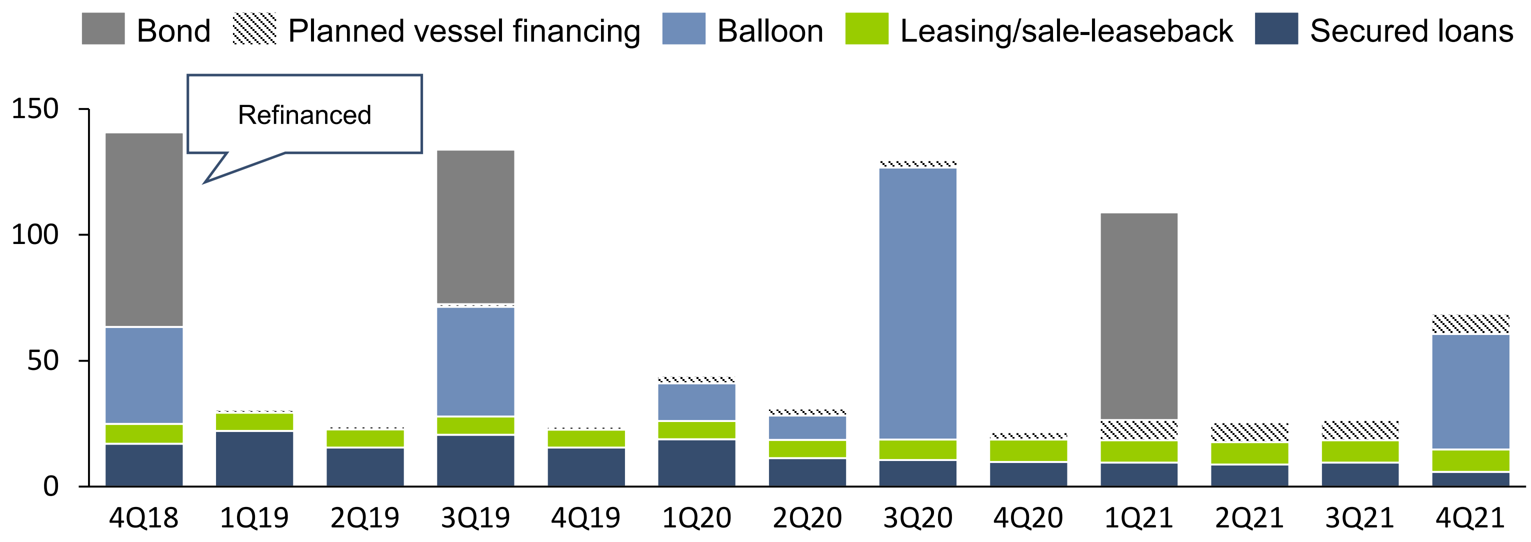
- Our toal bunker costs has seen a modest increase the last 12 months despite a large increase in bunker prices
- Bunker adjustment clauses will hedge 60% to 65% of our bunker consumption based on our contract portfolio
- 3rd party tonnage involves pool vessels that is included in our P&L due to accounting rules, these costs are passed on to the shipowner
- Our contracts and a more fuel efficient fleet have contributed to mitigate bunker cost increases through 2018

Average Platts 3.5% FOB Rotterdam



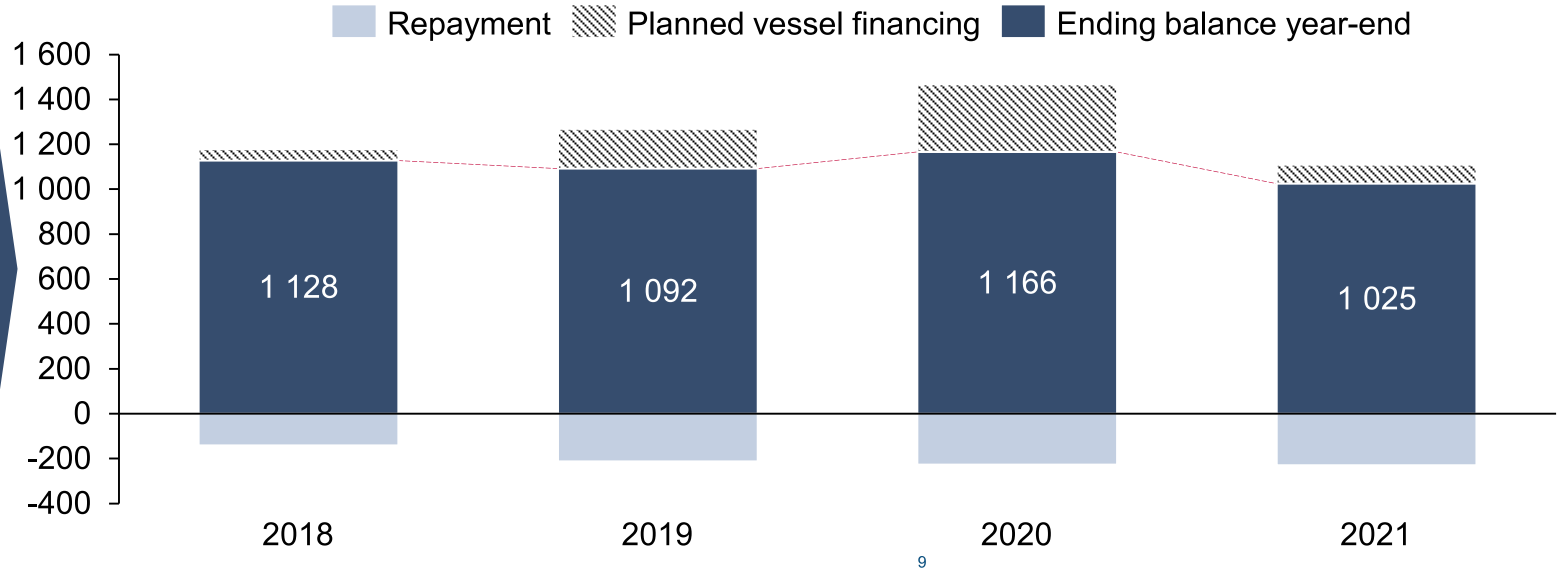
Debt development – Corporate and chemical tankers

Scheduled repayments and planned refinancing, USD mill



- Issued new USD 60 mill bond to partly refinance USD 77 mill bond maturing Dec 18
- New bond to lower interest expenses by 2.1 mill per year

Gross debt ending balance, USD mill



- Strong support from our relationship banks for refinancing
- Current amortization and refinancing plan shows USD 103 mill lower debt by 2021…
- … However, plan remains on reducing leverage further

Capital expenditure programme – 30.09.2018

USD mill	Remaining 2018	2019	2020
Chemical Tanker newbuildings			
Hudong 4 x 49,000 dwt (USD 60 mill)	6	144	42
Hudong 2 x 38,000 dwt (USD 58 mill)	6	12	87
Total	12	156	129
Instalment structure – Newbuildings			
Debt instalment	6	144	129
Equity instalment	6	12	-
Tank Terminals, (Odfjell share)*			
Planned expansion capex	2	3	3

- We have secured financing for all chemical tanker newbuildings and remaining equity instalments are limited to USD 18 mill.
- We have no capital commitments for chemical tankers beyond 2020
- Other chemical tanker investments for the next three years amounts to about USD 13 million, 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 19 mill

* Tank Terminals is 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

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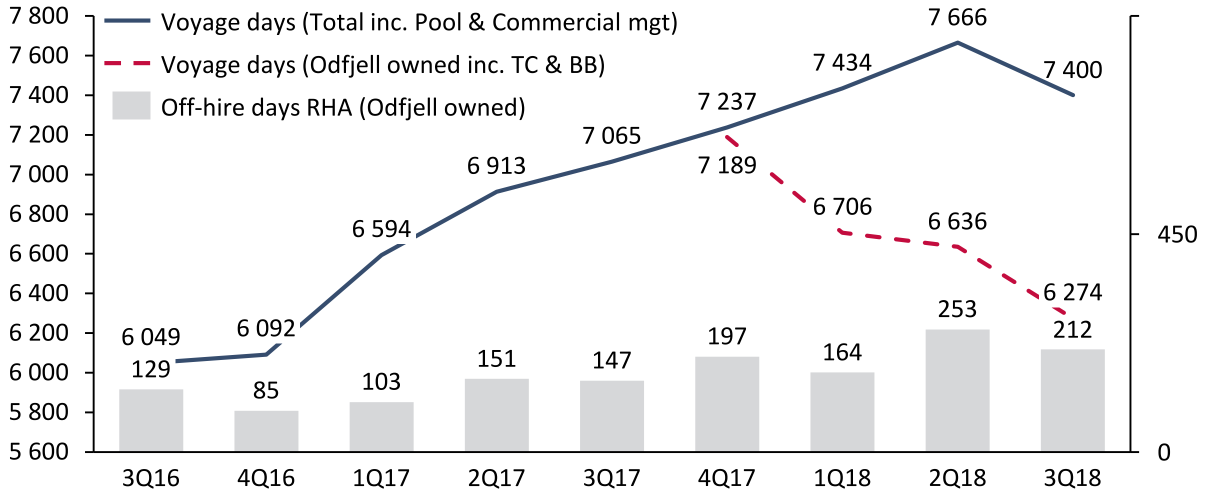
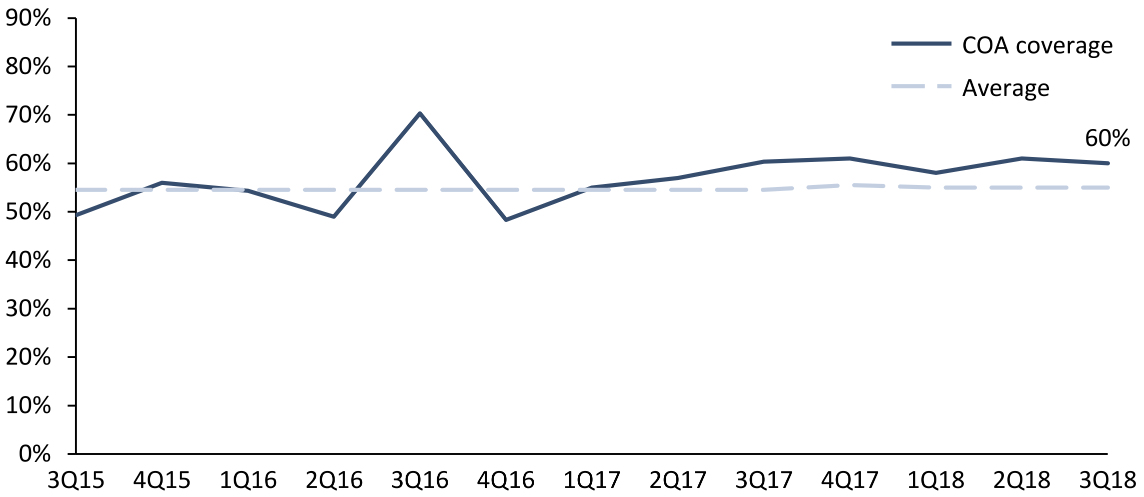
Tankers: Our COA portfolio keeps mitigating impact from challenging markets – High docking activity in 2018 expected to tail off into 2019

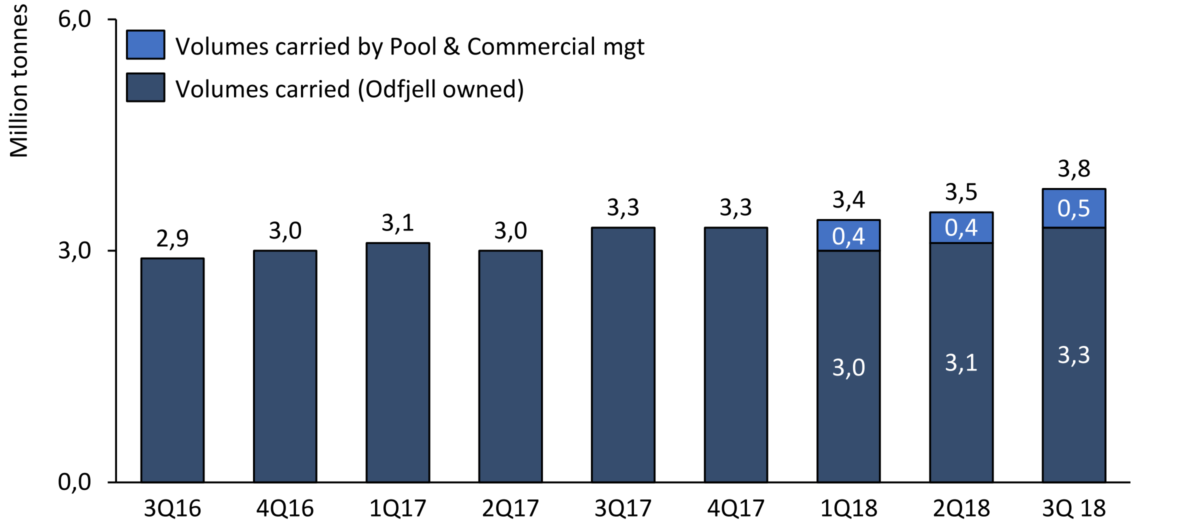
Odfjell Tankers voyage days development



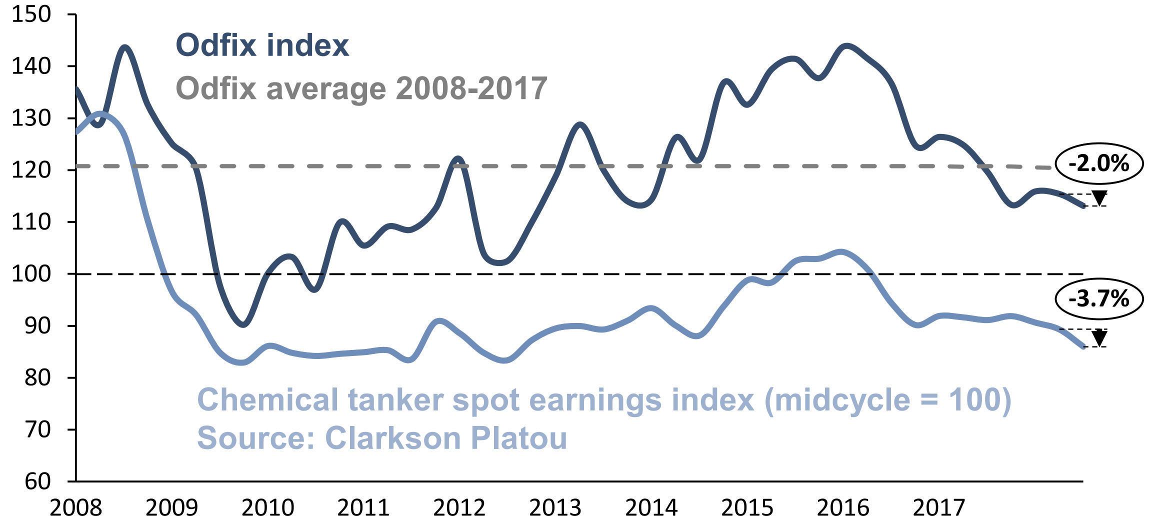
Odfjell Tankers COA coverage development



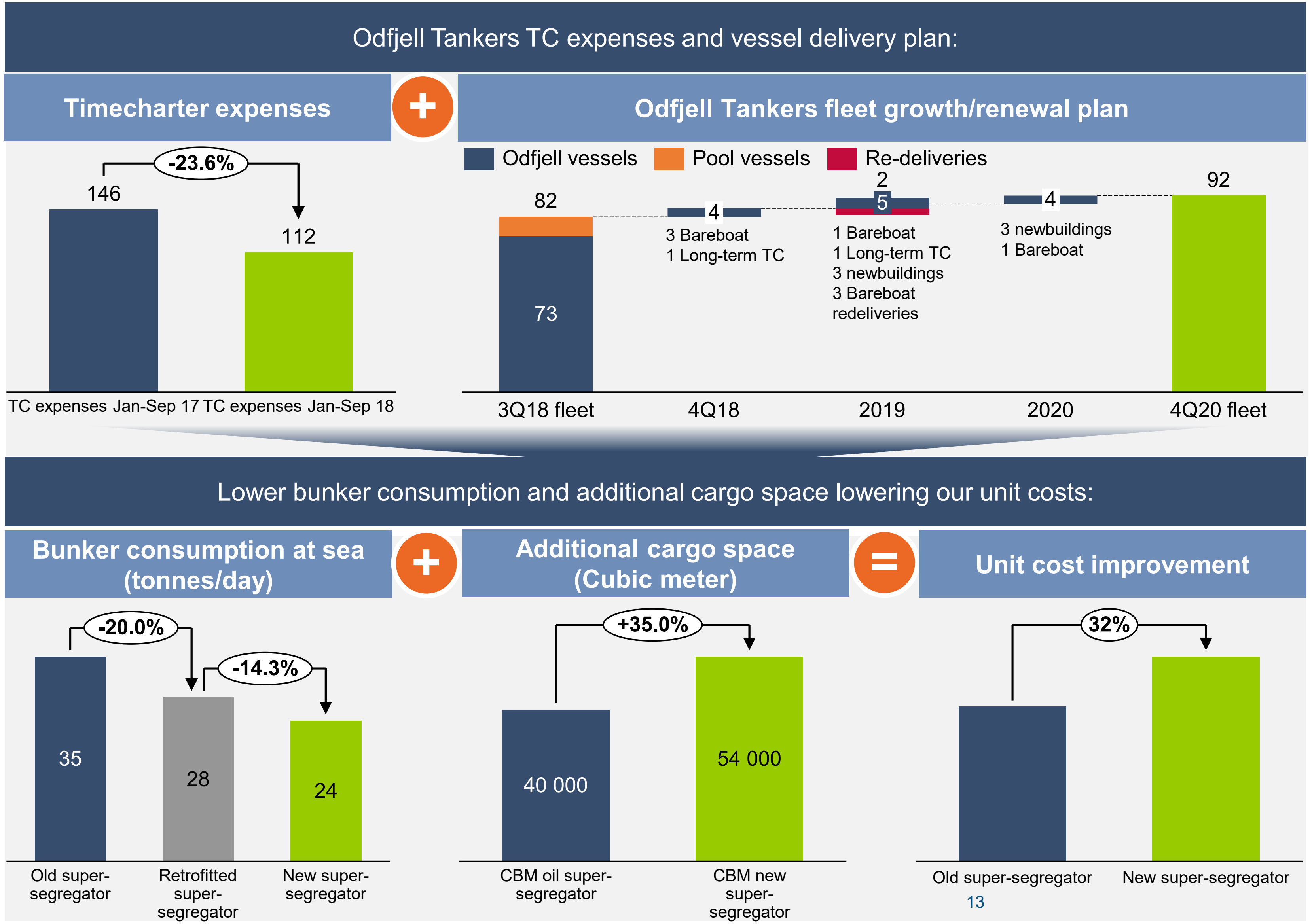
Odfjell Tankers volume development



Odfjell Tankers: ODFIX versus chemical tanker spot rates



Fleet renewal and expansion is taking place positioning Odfjell Tankers to operate one of the world's most energy efficient chemical tanker fleets



- We have the last year replaced old and inefficient tonnage with new modern tonnage through newbuilds, timecharters and pools
- The increased ratio of modern and fuel efficient tonnage will continue with delivery of new vessels through 2019 and 2020

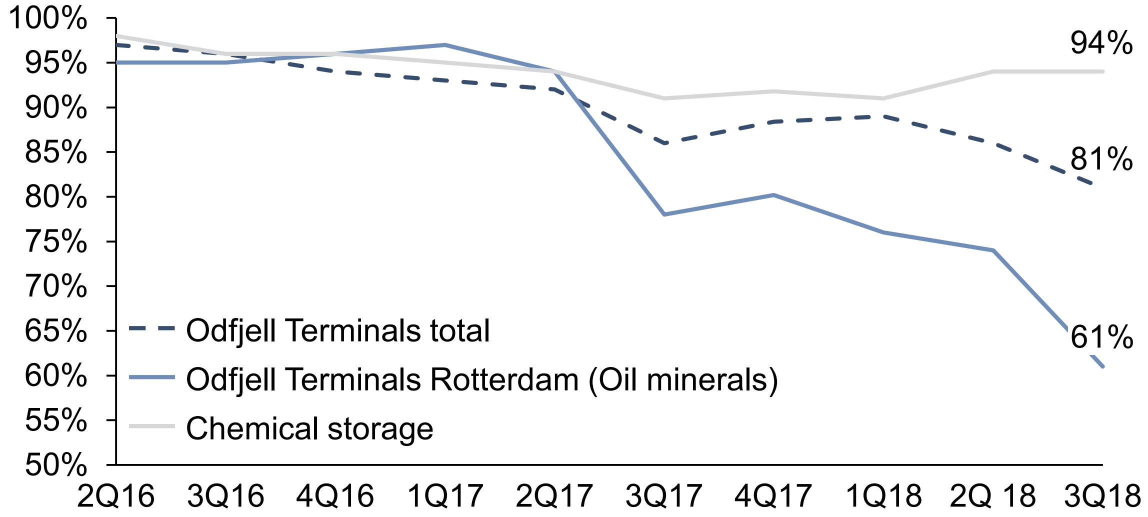
- For years, Odfjell has systematically reduced our vessels fuel consumption
- New vessels will have more cargo space
- In sum, new vessels will have unit cost improvement of 32% equivalent to USD4,000/day

Odfjell Tankers positioning for upcoming IMO 2020 regulations

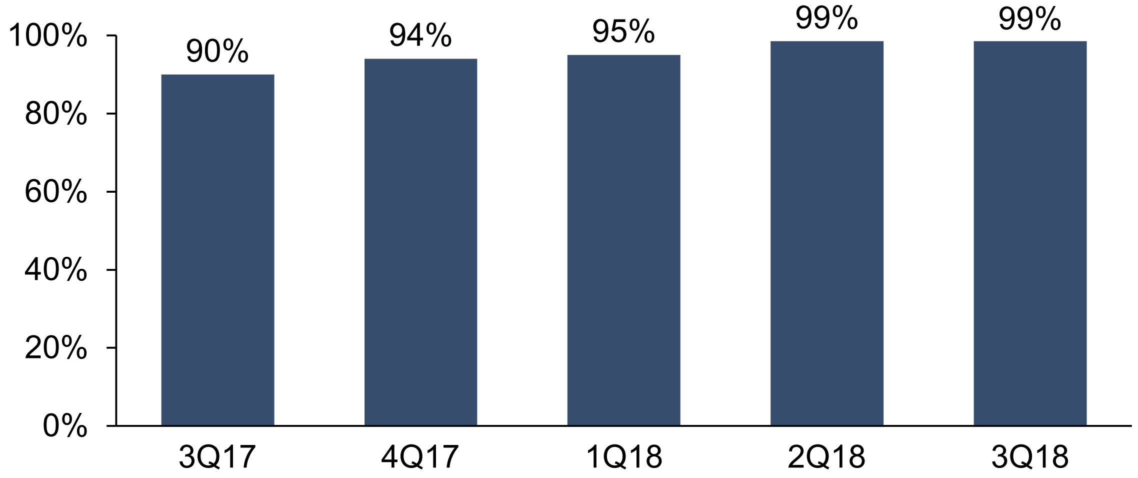
Background	• Shipowners are not allowed to burn fuel containing more than 0.5% sulphur content from January 2020 • Owners can comply by burning MGO or other sulphur compliant fuel or install Exhaust gas systems (scrubber)
Odfjell & scrubbers	• Odfjell focuses on fuel efficiency rather than scrubbers, which we do not consider a sustainable solution for our segment of the industry • Initiatives to reduce consumption and testing alternative propulsion and energy generation onboard are ongoing
Fuel consumption	• Odfjell has for years systematically reduced our vessels fuel consumption by various savings initiatives • Some of our vessels have achieved more than 20% reduction in consumption
Fleet renewal	• We have made significant investments in fleet renewal, replacing older tonnage with more energy efficient vessels • Odfjell will operate one of the world’s most energy efficient fleets of stainless steel chemical tankers
Bunker Adjustment charges	• Odfjell are committed to our customers and promote transparency into how we calculate the bunker adjustment charges (BAC) • Well in advance of IMO 2020 effectuation, we will offer our customers detailed calculations about how these clauses will impact freight cost
Alternative fuels	• Testing of alternative fuels has been ongoing for a year, and we are systematically logging experiences with fuel types, qualities and providers • We maintain a close dialogue with oil majors on future access to low sulphur fuel in the 80+ ports where we perform bunker operations today
Odfjell’s position	• Surcharges our customers will pay will be smaller than with our competitors as we operate one of the world’s most energy efficient fleets • We are not looking to take advantage of the IMO 2020 regulations at the expense of our customers • Various initiatives to lower our fuel consumption and fuel costs continues to be high on the agenda in Odfjell

Terminals: Stable performance compared to previous quarter when adjusting for OTR

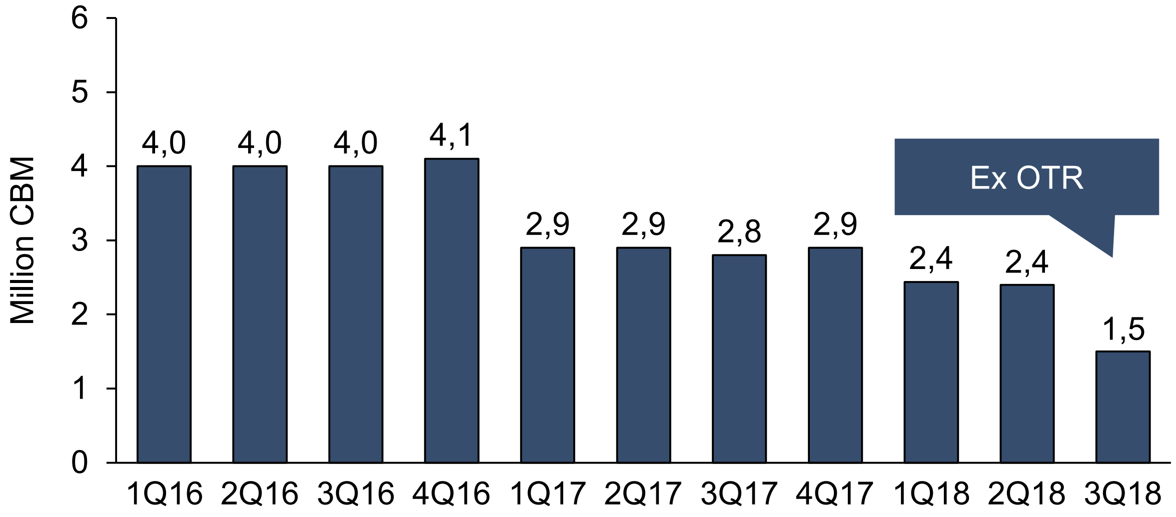
Odfjell Terminals: Utilisation development



Odfjell Terminals Houston quarterly utilisation



Odfjell Terminals: Commercial available capacity



Comments

- Tank terminal utilisation excluding OTR was stable compared to previous quarter
- OTR utilisation and results were negatively impacted by the fuel oil spill in the Rotterdam harbour, interrupting storage and distillation business due to closure of the port
- Activity at our Houston terminal, the main earnings driver in our terminal division remains strong. With a strong outlook for storage demand in the area, we are looking at various alternatives for growth at the terminal

LG's sale of US terminals is ongoing – Antwerp acquisition will be concluded in 4Q18

- Following the sale of the Rotterdam terminal, next step is a sale of LG's shares in the US terminals. Closing of this transaction is expected during 4Q 18
- Constructive discussions with potential new partners in the US terminals are ongoing and we see several accretive growth opportunities for the terminals
- The new holding structure will be formalized during 4Q18

Odfjell Terminals portfolio following acquisition sale of Rotterdam terminal and purchase of LG's share in the Antwerp terminal

	Europe	US		Asia				
	Antwerp (NNOT)	**Houston** (OTH)	**Charleston** (OTC)	**Ulsan** (OTK)	**Dalian** (OTD)	**Jianyin** (OTJ)	**Tianjin** (ONTT)	**Global**
Storage capacity In k CBM	348	380	79	314	120	100	138	1,479
Start-up Year	Non-operated	1983	2013	2002	1998	2007	2016	
Revenues[1] USD mill	10	38	5	5	4	1	1	64
EBITDA[1] USD mill	5	18	2	2	3	1	0	30*
ROIC[1] (%)	22.6%	18.0%	-0.7%	4.3%	16.0%	1.9%	-2.3%	8.8%

[1]All USD figures represents Odfjell SE's ownership share and is based on FY 2017, 25% ownership share at NNOT included
* Total EBITDA excludes global management fee allocation being booked at Odfjell Terminals B.V (Holding company)

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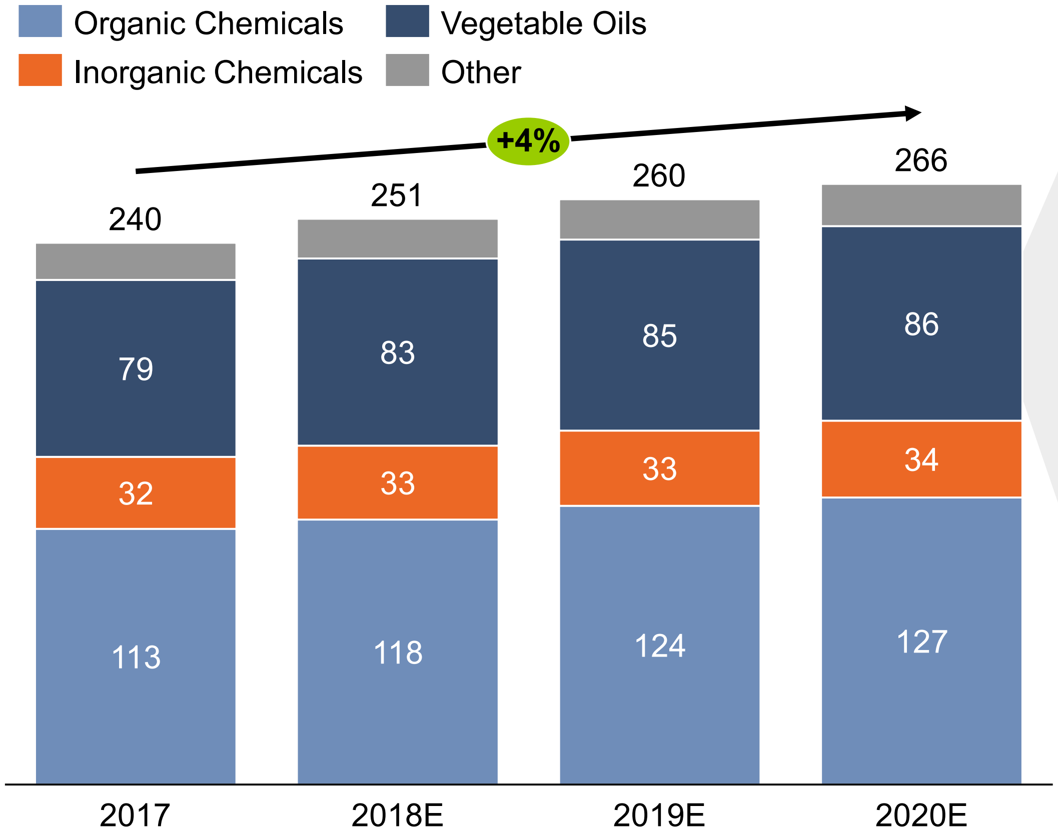
Chemical tanker demand to grow by 4% on average per year with an incremental tonne-mile effect of 1%-3% by 2020

Chemical tankers trade, MT millions

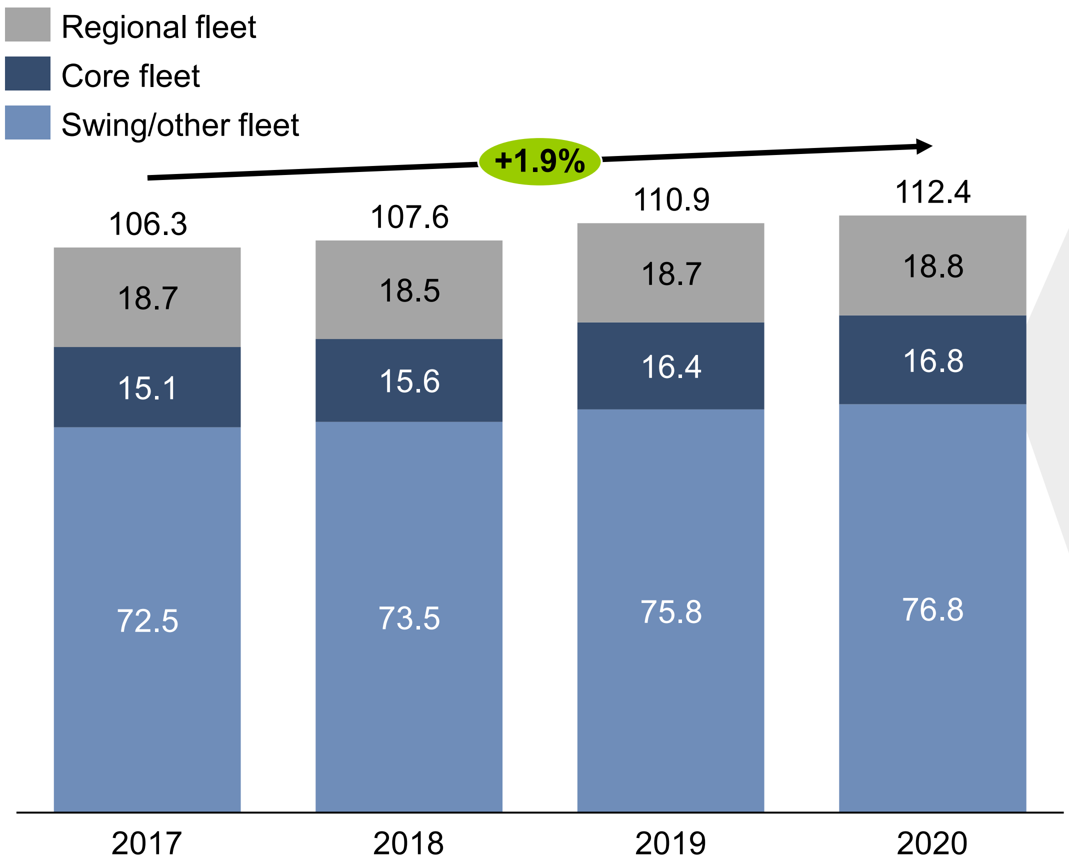


Comments:

- Chemical tanker demand to grow by 4% on average per year with an incremental tonne-mile effect of 1%-3% by 2020
- Higher oil prices are favouring shale gas based chemical producers and stimulates long-hauls shioments
- The ongoing trade-war is so far not having a measurable effect on chemical tanker demand, but remains a concern if the trade-war escallates
- Third quarter experienced a usual seasonal weakness in demand

Chemical tanker supply set to grow by 2% on average by 2020, whereas core tonnage is expected to grow by 3.6%

Projected growth[1] in chemical tanker fleet, DWT mill.



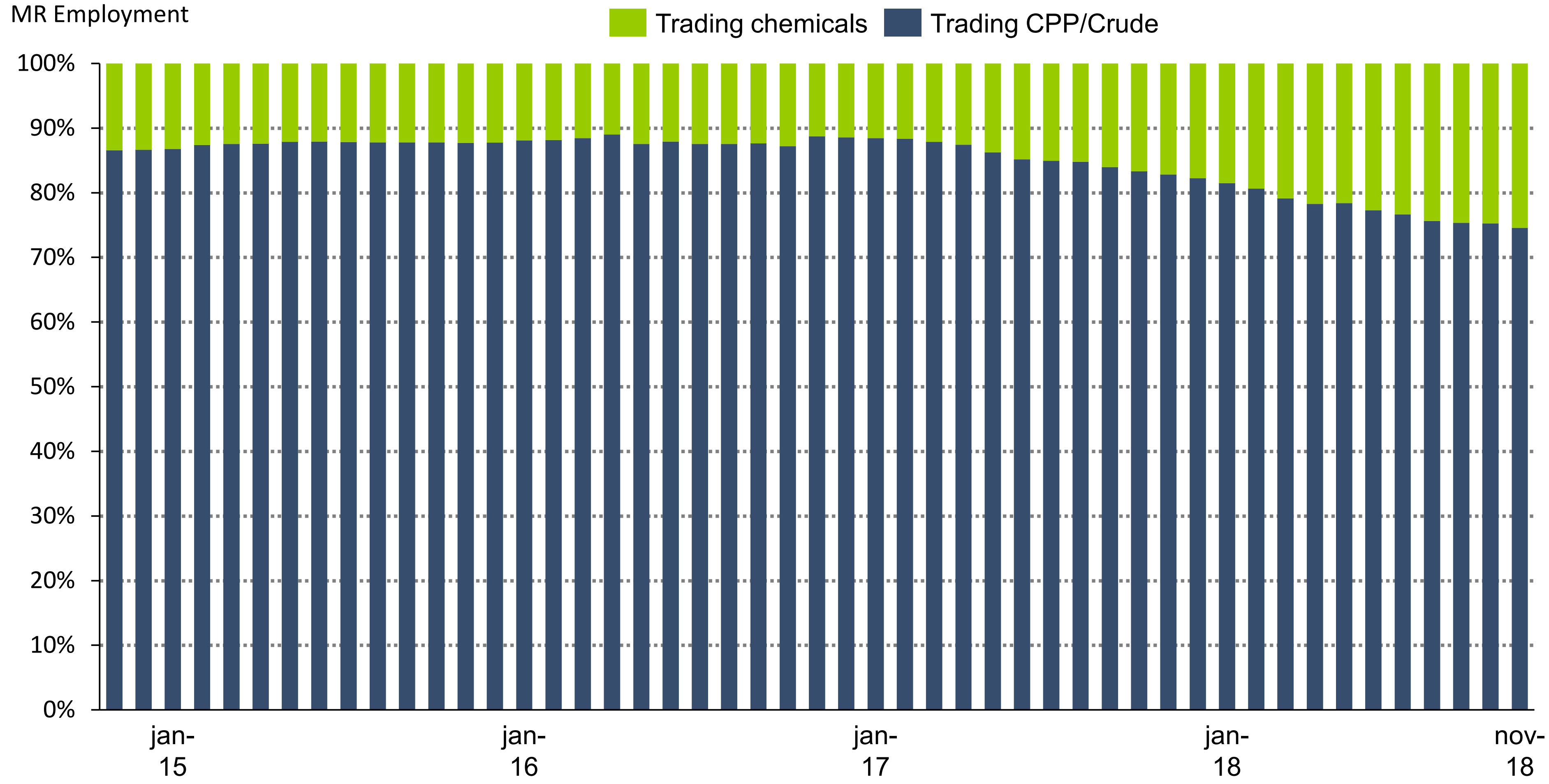
Comments:

- Chemical tanker supply forecasted to grow by 2% per year on average by 2020
- The global core chemical tanker orderbook stands at 8% of the current fleet
- The core chemical tanker fleet grew by 9 vessels during the third quarter with 11 deliveries and 2 vessels scrapped
- New orders for stainless steel chemical tankers was limited to two 19,000 dwt tankers during the third quarter
- Newbuilding prices are up 15 % from the bottom and we do not expect significant newbuilding orders to emerge
- Consolidation continues within the chemical tanker industry
- The most important factor for supply will be how swing tonnage will impact our markets going forward (See next page)

1. Fleet size 2018-2020 represent average tonnage volume available during year   2. Expect tonnage to be scrapped at 25 years age, and general delivery slippage of 1 month for new builds

Source: Odfjell

Real supply is today severely impacted by swing tonnage – Since 4Q16, an incremental 10 Mdwt is trading chemicals. If CPP markets recover it is likely that up to 6% of total supply will return to their natural markets in CPP



- 13% of the MR fleet has historically traded chemicals
- As of November 2018, 25% of the MR fleet is trading chemicals
- Low CPP rates has been the driver for the increased swing tonnage impact since late 2016
- Improvements in CPP rates should reverse this trend

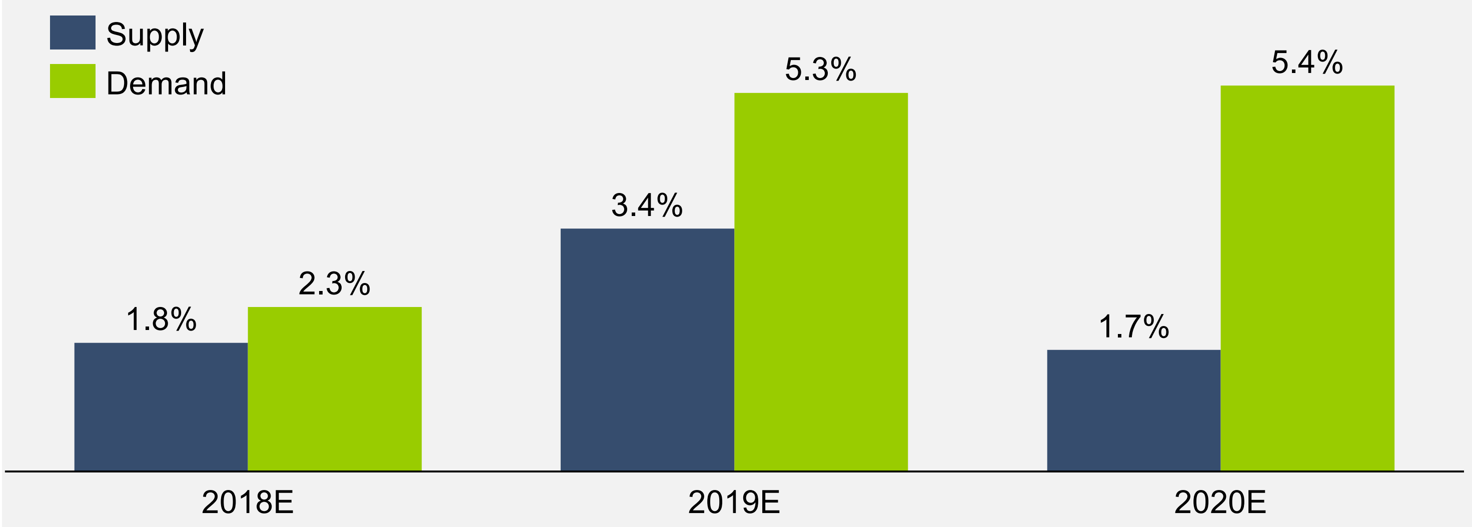
*Source: Odfjell, * MR's between 45,000 dwt and 55,000 dwt* Assuming 50% of the growth in swing tonnage returns to CPP and share of MR's trading chemicals therefore remains at levels higher than historical average*

The consensus (external) view on the CPP market indicates the market is at a turning point

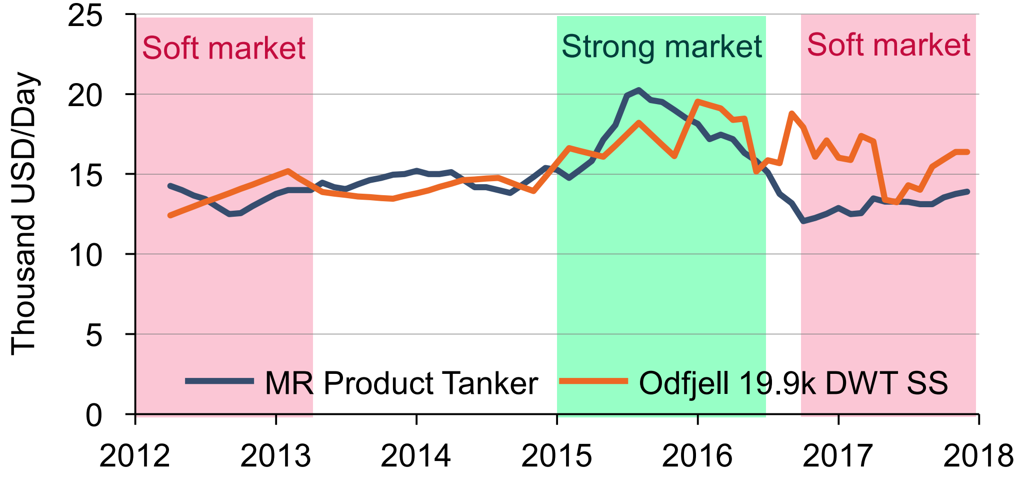
Product tanker outlook observations:

- IMO 2020 regulations to impact Product tankers positively
- Negatively impacted by an oil price in backwardation
- Increased swing of product tanker tonnage into crude tankers expected
- Lower inventory levels to ultimately lead to restocking cycle
- Product tanker demand forecasted to grow faster than supply growth between 2018 and 2020

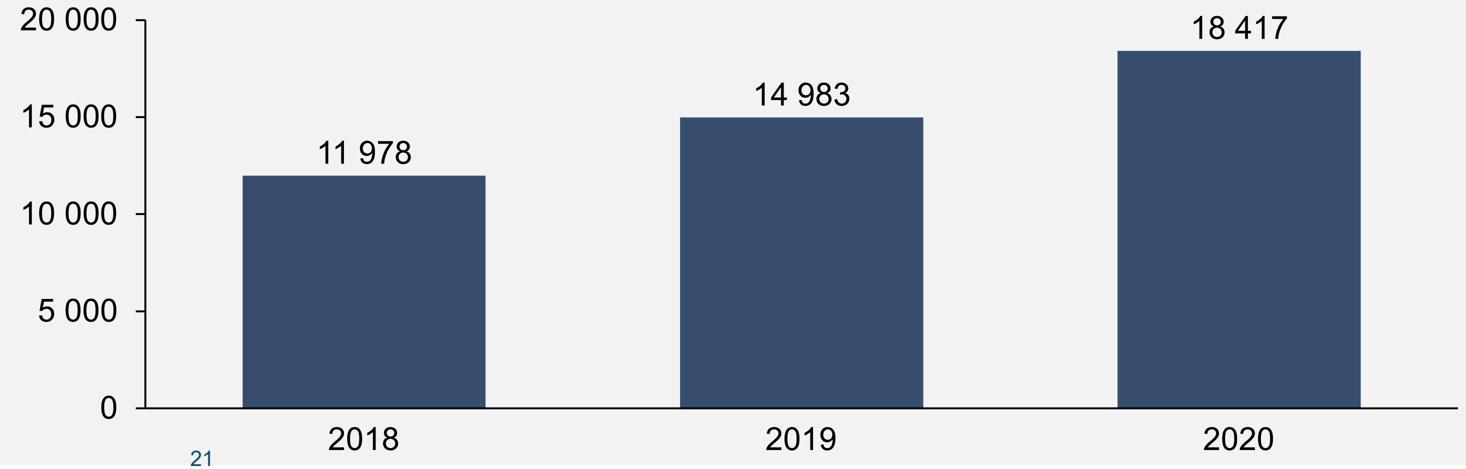
Product tanker supply/demand outlook by consensus:



MR Product tankers vs Odfjell SE J19 TC portfolio (USD/Day):



MR spot rate forecast by consensus (USD/kDay)



Source: Odfjell, Clarksons, Pareto Securities, Fearnley Securities, Steem 1960, DNB, JP Morgan

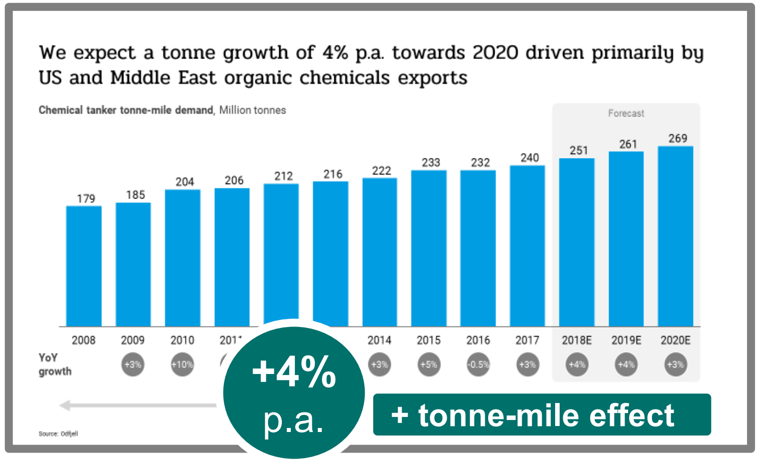
Market outlook conclusion – the demand story continues to be strong and supply is under control, and a firming CPP market could rapidly reduce effect of swing tonnage. We maintain our view that 2018 is the turning point.

Demand

Long-term IEA forecast
- Chemical demand to grow by 2.7% per year until 2030
- Chemicals share to oil demand to increase from 13% to 30% by 2030

Higher oil prices
- Higher oil price positively impacting shale gas based producers stimulating long-haul shipments

Trade war
- Trade war so far not having a measurable effect on demand

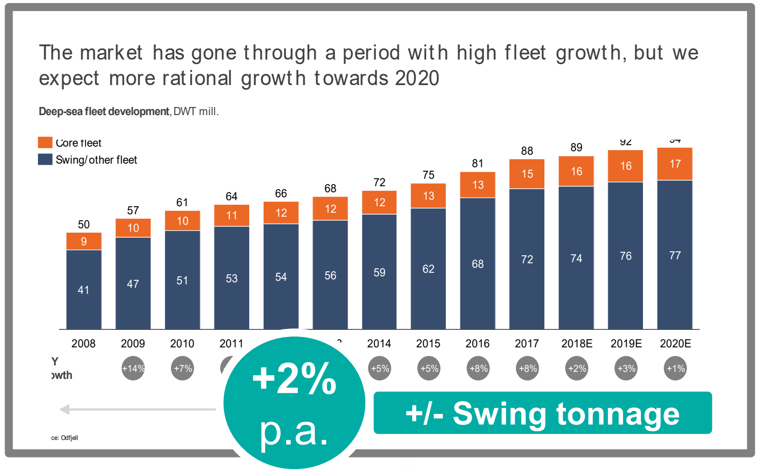


Supply

Orderbook
- Global core deep-sea chemical tanker fleet grew by 9 vessels in 3Q
- Orderbook currently stands at 8% of current fleet and only two new orders in 2018

Swing tonnage
- Weak CPP rate impacts chemical tanker markets by high share of swing tonnage
- Product tanker rates needs to improve to support a recovery for chemical tankers

IMO 2020
Scrapping – Slowsteaming – Swing tonnage
- Will stimulate slowsteaming and scrapping for chemical tankers
- Reduced swing tonnage as product tankers will benefit according to consensus



Summary and Prospects

- We expect chemical tanker market to remain challenging but continue to believe 2018 will be the turning point in the market
- We expect Odfjell Terminals results to improve in 4Q18

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