



REPORT FIRST QUARTER 2023

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(Numbers in brackets refer to corresponding period in 2022)

Good activity in the quarter. Several new contracts were secured, confirming the strong outlook. We are pleased to see that Soiltech continues to be an attractive partner for our customers.

HIGHLIGHTS - FIRST QUARTER 2023

- Strong operational and HSE performance
- Several new contracts secured
- Equity ratio of 49% and solid cash position

Contracts secured in Q1:

- *Aker BP.* Mobilizing second STT unit to Noble Integrator for treating contaminated water
- *DNO.* Awarded contract on Deepsea Yantai for treating contaminated water (slop)
- *Transocean.* Awarded contract for drilling waste management on Transocean Barents on the UK sector
- *Undisclosed client.* Awarded contract for treating contaminated water (slop) in the UK
- *Mexico.* Soiltech to treat contaminated water onboard a drilling vessel for an operator in Mexico

Operations and HSEQ

Revenue utilization was 100% on all STT units in the quarter. There were no lost time incidents and no spills to ground or sea.

Soiltech had operations on-going in Norway, UK, the Netherlands, and Abu Dhabi during the quarter.

As at quarter-end, the equipment fleet consisted of slop treatment units (STT), solids

handling equipment, tank and pit cleaning technologies, swarf removal system, other waste handling equipment and biodegradable chemicals.

RESULTS

Numbers presented below are consolidated numbers.

Revenues in Q1 2023 amounted to NOK 40.4m (NOK 43.9m) and EBITDA from operations was NOK 7.2m (NOK 8.8m). Profit before tax came to NOK 1.5m (NOK 4.6m).

The reduction in revenue in Q1 2023 compared to previous quarters is due to several rigs in the North Sea carried out special periodic surveys and maintenance, ahead of prospective contract awards.

Investments and financing

Net-interest bearing debt was NOK 58.8m (NOK 45.5m).

The increase is related to the financing of ongoing investments in equipment for added treatment and waste handling capacity.

Cashflow from Operating activities was NOK 10.9m for Q1 2023. Cashflow from Investing activities was NOK -13.8m as the company is building capacity to cater for anticipated growth. After a net contribution of NOK 0.2m from Financing activities, the Net cashflow for Q1 2023 was NOK -3.1m. The cash position was NOK 35.7m as at year-end.

OUTLOOK

The long-term outlook is positive based on high project activity and robust demand for Soiltech's waste reducing technologies.

As a result of this, we expect the market to strengthen gradually during 2023 and into 2024 and 2025 as the drilling activity increases.

The Board of Directors emphasizes that any forward-looking statements contained in this report could depend on factors beyond its

control and are subject to risks and uncertainties. Accordingly, actual results may differ materially.

Sandnes, 26 April 2023
Soiltech AS

The Board of Directors

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ABOUT SOILTECH

Soiltech is an innovative cleantech service provider specializing in the treatment, recycling and responsible handling of contaminated water and solid industrial waste streams.

Learn more: www.soiltech.no

INCOME STATEMENT (NOK 1,000)	Q1 2023	Q1 2022	YTD 2023	YTD 2022
Revenues	40 417	43 943	40 417	43 943
Operating cost	23 092	25 127	23 092	25 127
Gross margin	17 324	18 816	17 324	18 816
	43 %	43 %	43 %	43 %
SG&A	10 089	10 033	10 089	10 033
EBITDA from Operations	7 235	8 783	7 235	8 783
	18 %	20 %	18 %	20 %
Adjustments*	1 003	-	1 003	-
Reported EBITDA	6 232	8 783	6 232	8 783
Depreciation	3 789	3 274	3 789	3 274
OPERATING PROFIT	2 443	5 509	2 443	5 509
	6 %	13 %	6 %	13 %
Net financial items	-980	-924	-980	-924
PROFIT BEFORE TAX	1 463	4 585	1 463	4 585
	4 %	10 %	4 %	10 %

*Adjustments are cost related to share incentive scheme

STATEMENT OF CASH FLOWS (NOK 1,000)	01.01 - 31.03.2023
Profit before tax	1 462
Net cash operating activities	10 934
Net cash investing activities	-13 765
Net cash financing activities	200
Total net cash flow	-3 118
Cash at beginning of period	38 832
Cash at end of period	35 713

BALANCE SHEET (NOK 1,000)	Q1 2023	Q1 2022
ASSETS		
Intangible assets	1 719	476
Leased assets	56 194	0
Plant, property and equipment	136 547	136 059
New builds	4 532	0
Restricted cash	784	0
Investments in subsidiaries	0	1 578
Deferred tax asset	15 133	0
Goodwill	5 146	0
Non-Current assets	220 055	138 112
Current receivables	39 055	52 546
Stock	238	0
Cash	35 713	31 957
Current assets	75 006	84 503
TOTAL ASSETS	295 061	222 615
EQUITY AND LIABILITIES		
Share capital	740	720
Share premium	85 389	71 095
Paid-in capital	86 129	71 815
Other equity	58 782	41 030
Total equity	144 911	112 845
Current liabilities	36 304	32 264
Current portion of long term debt	22 159	0
Tax payable	0	0
Current debt	58 463	32 264
Long term interest-bearing debt	72 377	77 506
Other long term liabilities	19 310	0
Deferred tax	0	0
Long-term debt	91 687	77 506
Total debt	150 150	109 770
TOTAL EQUITY AND LIABILITIES	295 061	222 615
Equity ratio (%)	49 %	51 %