

# Excellence Logging Finance 2 Plc Q4 2024

Earnings Release

28 February 2025

**EXLOG**  
EXCELLENCE LOGGING



# Summary and Outlook

- Exlog showing continuous growth quarter on quarter and year on year mainly driven by the performance of its well intervention segment.
- Our expectations are for activity to continue to grow in 2025 with potential upside to come from new AI technology in Surface Data Logging.
- Expecting lower activity in Q1 2025 due to seasonality of our Well Intervention business but overall growth for the full year with a better profitability mix.
- Performance for FY2024 close to previous guidance of ~\$202m revenue and ~\$40m EBITDA.
- Revenue of \$57.5m in the quarter, up 23.3% year on year.
- EBITDA of \$11.2m, up 14.3% year on year.
- EBITDA margin of 19% - up from 17% in Q3 and down from 21% in Q4 2023. The lower performance came with some changes in revenue profile and investment to support future growth. 2025 performance expected to be above 21%.
- Our acquisition pipeline is strong, and we are continuously looking after accretive targets.

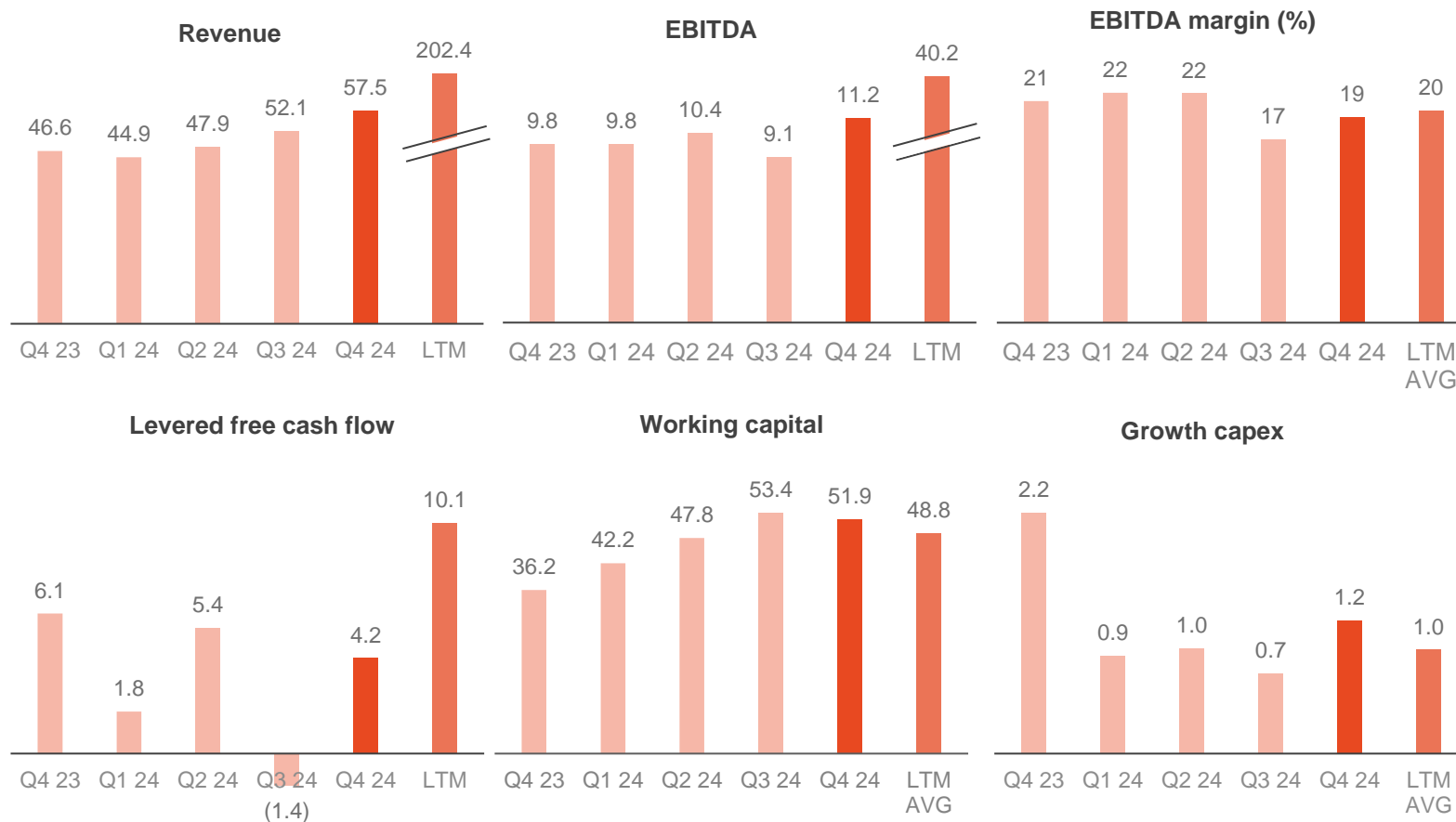


# Highlights Q4 2024

## Commentary

- Quarterly revenues up 23.3% year on year and 10.4% quarter on quarter driven by significant increase of well intervention activity (+40% YoY and 8% QoQ), while surface data activity has shown a limited growth YoY of 5.5% with a positive QoQ growth of 14%. Big Plug & Abandonment activity has driven the WIN growth in Europe.
- Quarterly EBITDA up 14.3% year on year and 23% quarter on quarter despite flattening of the margin with negative impact of large decommissioning projects coming with lower profitability.
- Free Cash Flow was positively impacted during the quarter by decrease of Group DSO by 13 days.

## Financial development (USDm)

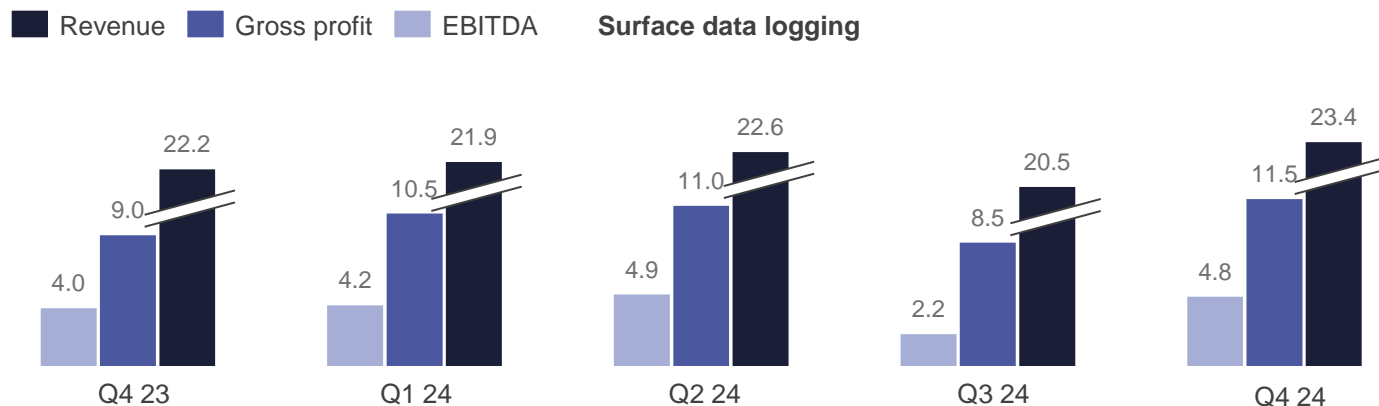
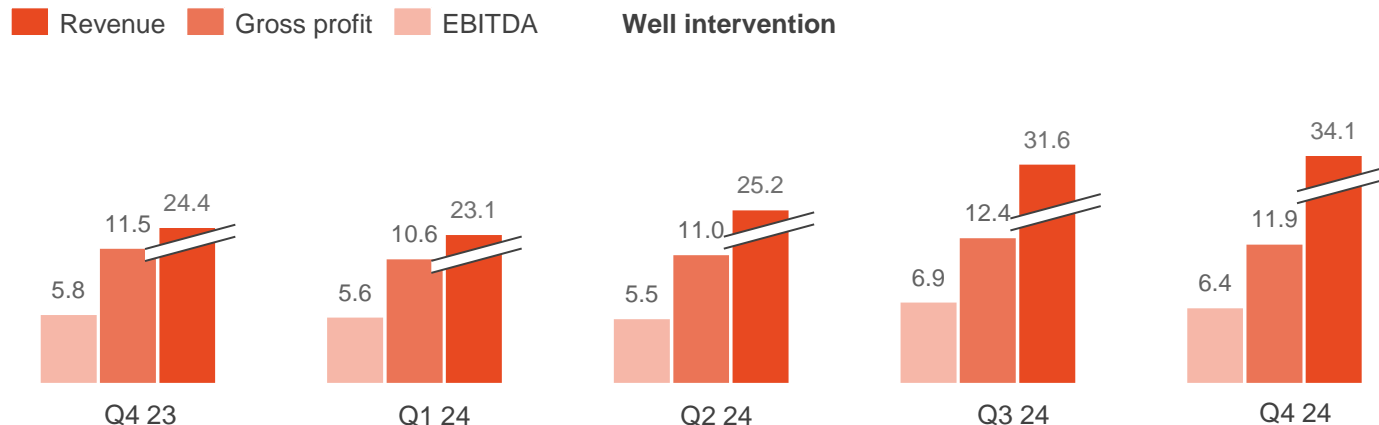


# Segments Highlights Q4 2024

## Commentary

- Well intervention revenue up 40% year on year and up 8% quarter on quarter driven by seasonality effects and high P&A activity (Danish government, Italy).
- Well intervention gross margin (ex D&A) up 3% year but down 4% quarter on quarter. Margin were distorted by significant level of revenue outsourced. On PF basis, Gross Margin for services delivered by Exlog still in the range of 45%.
- Well intervention EBITDA up 10% year on year and down 7% quarter on quarter. Positive size effect vs. last year but additional costs in Q4 to accelerate some integration projects.
- Surface data logging revenue up 5.5% year on year and 14% quarter on quarter with growing activity in EAF and MEA.
- Surface data logging gross margin (ex D&A) up 30% year on year and 35% quarter on quarter with good improvement on personnel utilization ratio and non-repeat of start-up costs for last quarter.
- Surface data logging EBITDA up 20.5% year on year and 117% due to GM improvement and critical mass effect.

## Solid financial development (USDm)



# Covenant performance

## Comfortable headroom to covenants

- Excellence Logging Finance 2 Plc, has comfortably met both the minimum liquidity and leverage covenant tests for Q4 2024.
- Expectation that the Q1 2025 Leverage Ratio will remain at similar levels to Q4 2024 though reducing below 2x during 2025

## Covenant calculations

### 1) Minimum Liquidity

	2024 Q4 Actual
Cash & Cash Equivalents	16.0
Undrawn RCF	6.0
Liquidity	<b>22.0</b>
Covenant Minimum	<b>10.0</b>

### 2) Leverage Ratio covenant

	2024 (LTM) Q4 Actual
Bond	100.0
Other Gross Debt	9.1
Gross Debt	109.1
Cash & Cash Equivalents	16.0
Net Debt	93.1
LTMEBITDA (on PF 12 mths)	40.2
<b>Leverage ratio - x</b>	<b>2.32x</b>
<b>Covenant Maximum Leverage - x</b>	<b>3.00x</b>

# 31<sup>st</sup> December 2024 Financial Statements

3 months to 31 December 2024

Profit & Loss

	Excellence Logging Finance 2 Q4 2024 Actual	
Sales	57.0	
People Related Cost	(16.6)	
Cost of Sales	(17.4)	
<b>Gross Margin (excl; D&amp;A)</b>	<b>23.1</b>	
	<b>% Margin</b>	<b>40.4%</b>
Field Support Cost	(1.9)	
<b>Field Margin</b>	<b>21.2</b>	
	<b>% Margin</b>	<b>37.1%</b>
G+A (Country & Regions)	(7.0)	
Depreciation and Amortization	(6.6)	
Corp G+A / Other Expenses	(3.1)	
NPD (not capitalized)	(0.3)	
<b>Operating Profit</b>	<b>4.2</b>	
Acquisition + integration fees	-	
Other exceptional items	(0.9)	
Other gains/(losses)	(3.4)	
Finance expenses	(2.9)	
Finance income	1.6	
<b>(Loss) / Profit before tax</b>	<b>(1.3)</b>	
Tax Expenses	0.1	
<b>Net Profit</b>	<b>(1.2)</b>	
<b>Depreciation and amortization</b>	<b>(6.6)</b>	
<b>EBITDA</b>	<b>10.8</b>	
	<b>% EBITDA Margin</b>	<b>18.9%</b>

As at 31 December 2024

Balance Sheet

	Excellence Logging Finance 2 31 Dec 2024 US\$ m	Excellence Logging Finance 2 30 Sep 2024 US\$ m
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	30.9	34.5
Goodwill	99.3	99.3
Other intangible assets	4.5	5.6
Deferred tax asset	0.1	0.1
Other non-current assets	0.1	0.9
	<b>134.9</b>	<b>140.4</b>
<b>Current assets</b>		
Trade and other receivables	49.8	56.1
Other current assets	16.5	20.3
Inventory	8.6	10.3
Current tax assets	3.4	0.8
Cash and cash equivalents	16.0	11.4
	<b>94.4</b>	<b>98.9</b>
<b>Total assets</b>	<b>229.2</b>	<b>239.3</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Non current portion of borrowings	(103.5)	(104.0)
End of service benefit obligations	(4.6)	(3.4)
Deferred tax liabilities	(0.8)	(0.7)
Other non current liabilities	-	-
	<b>(108.9)</b>	<b>(108.1)</b>
<b>Current liabilities</b>		
Trade and other payables	(27.9)	(31.8)
Current portion of borrowings	(5.6)	(7.8)
Current income tax liabilities	(3.6)	(3.9)
Provisions for other liabilities	(0.7)	(2.8)
Other current liabilities	(16.9)	(19.4)
	<b>(54.8)</b>	<b>(65.7)</b>
<b>Total Liabilities</b>	<b>(163.6)</b>	<b>(173.8)</b>
<b>Net Assets/(Liabilities)</b>		
	<b>65.6</b>	<b>65.7</b>
<b>EQUITY</b>		
Share capital	10.1	10.1
Translation reserves	(9.2)	(10.5)
Capital reserve	-	-
Convertible loan reserve	-	-
Accumulated profit	61.0	62.2
<b>Equity attributable to owners of the Company</b>	<b>61.9</b>	<b>61.9</b>
Non-controlling interests	3.7	3.7
<b>Total Equity</b>	<b>65.6</b>	<b>65.7</b>

3 months to 31 December 2024

Cashflow Statement

	Excellence Logging Finance 2 31 Dec 2024 (Q4) US\$ m
<b>Profit / (Loss) for the year</b>	<b>(1.2)</b>
Adjustments for:	
Exceptional items	2.2
Net finance costs	2.7
Income tax charge	(0.1)
Depreciation and Amortization	6.6
Foreign exchange (gains) / losses	1.3
Loss on disposal of property, plant and equipment	(0.0)
Monetary adjustment	(0.5)
<b>Operating cash flows before working capital movements</b>	<b>10.9</b>
Change in Working Capital	1.5
<b>Cash generated / (used) by operations</b>	<b>12.3</b>
Income taxes paid	-
Net interest paid	(6.5)
<b>Net cash generated / (used) from operating activities</b>	<b>5.8</b>
<b>Investing activities</b>	
Payments to acquire tangible fixed assets	(2.8)
Receipts from sales of tangible fixed assets	-
Acquisition of subsidiary net of cash acquired	-
Expenditure on new product development	(0.2)
<b>Net cash used in investing activities</b>	<b>(2.9)</b>
<b>Financing activities</b>	
Proceeds from issue of shares	-
Repayment of bank loan/finance leases	-
Drawdown of Bond / bank loans	1.4
Payment of Dividends	-
<b>Net cash flows from financing activities</b>	<b>1.4</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>4.2</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>11.4</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>4.2</b>
Effect of foreign exchange rate changes	0.4
<b>Cash and cash equivalents at end of period</b>	<b>16.0</b>

Excellence Logging Finance 2 Ltd does not have a FY2023 Audited Consolidated Balance Sheet. FY2024 Audited Financial Statements will be completed in 2025

# Disclaimer

## Copyright

Copyright of all published material including photographs, drawings and images in this document remains vested in Excellence Logging and third-party contributors as appropriate. Accordingly, neither the whole nor any part of this document shall be reproduced in any form nor used in any manner without express prior permission and applicable acknowledgements. No trademark, copyright or other notice shall be altered or removed from any reproduction.

## Disclaimer

This Presentation includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. These statements and this Presentation are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for Excellence Logging (including subsidiaries and affiliates) lines of business.

These expectations, estimates and projections are generally identifiable by statements containing words such as “expects”, “believes”, “estimates” or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for Excellence Logging’s businesses, oil prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time in the Presentation. Although Excellence Logging believes that its expectations and the Presentation are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in the Presentation. Excellence Logging is making no representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the Presentation, and neither Excellence Logging nor any of its directors, officers or employees will have any liability to you or any other persons resulting from your use.

The logo for EXLOG features the word "EXLOG" in a bold, sans-serif font. The "E" is orange, while "XLOG" is white. Below it, the tagline "EXCELLENCE LOGGING" is written in a smaller, white, all-caps sans-serif font.

**EXLOG**  
EXCELLENCE LOGGING

*FOCUSED  
COMPETENCE*