



Q3 2023 Results Presentation

2 November 2023



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Summary



Records Results, Driven by Operational Performance

Another quarter of record financial results

- EBITDA of USD 87 million
- Revenue of USD 186 million

Entire fleet deployed, working on some of the most demanding projects globally

- Average financial utilisation across own fleet of 98.4%
- Managed fleet fully deployed, with Hercules drilling during July before moving to Namibia towards the end of the period

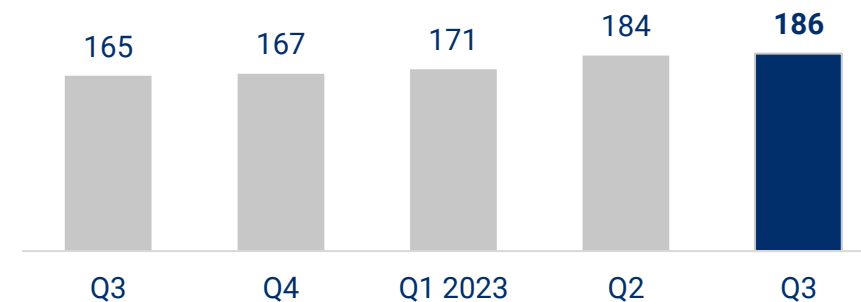
Reversal of Impairment

- Positive market outlook in the medium and long term, resulting in impairment reversal of USD 163 million

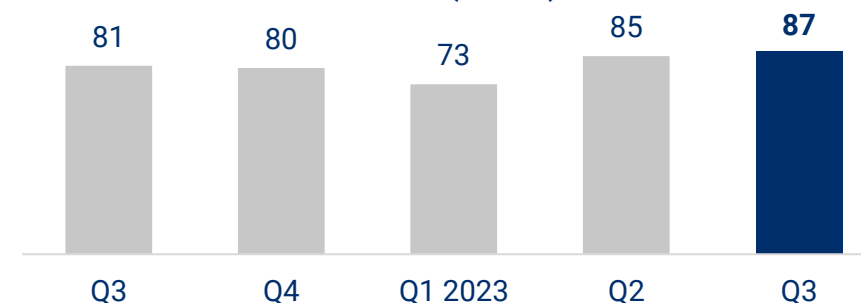
Q3 DIVIDEND (USD)

USD 14.2 m

Revenue (USDm)

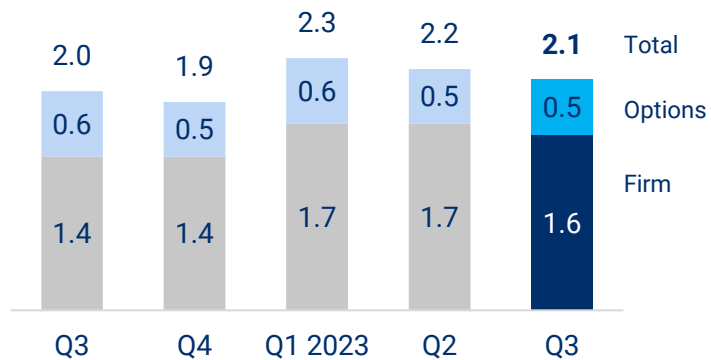


EBITDA (USDm)

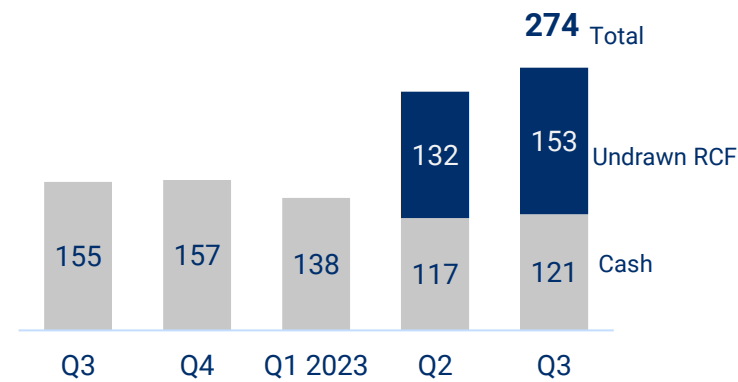


Key Financials

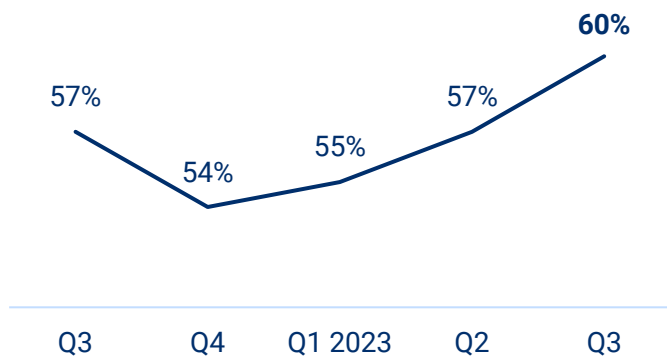
Order Backlog (USDm)



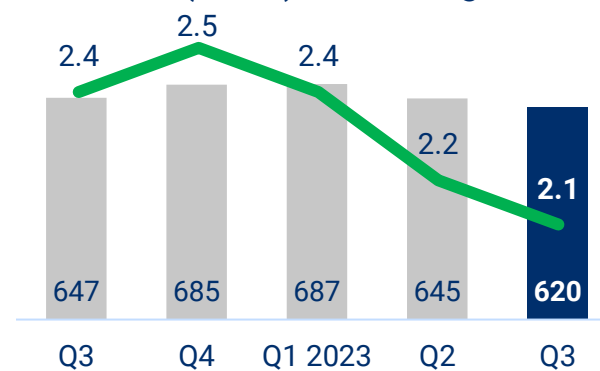
Available Liquidity (USDm)



Equity ratio



Net Debt (USDm) and Leverage Ratio*



Robust balance sheet and liquidity position

* Note: Net Debt value excludes lease liabilities. Refer to Appendix 1 of the quarterly report for definition of leverage ratio.

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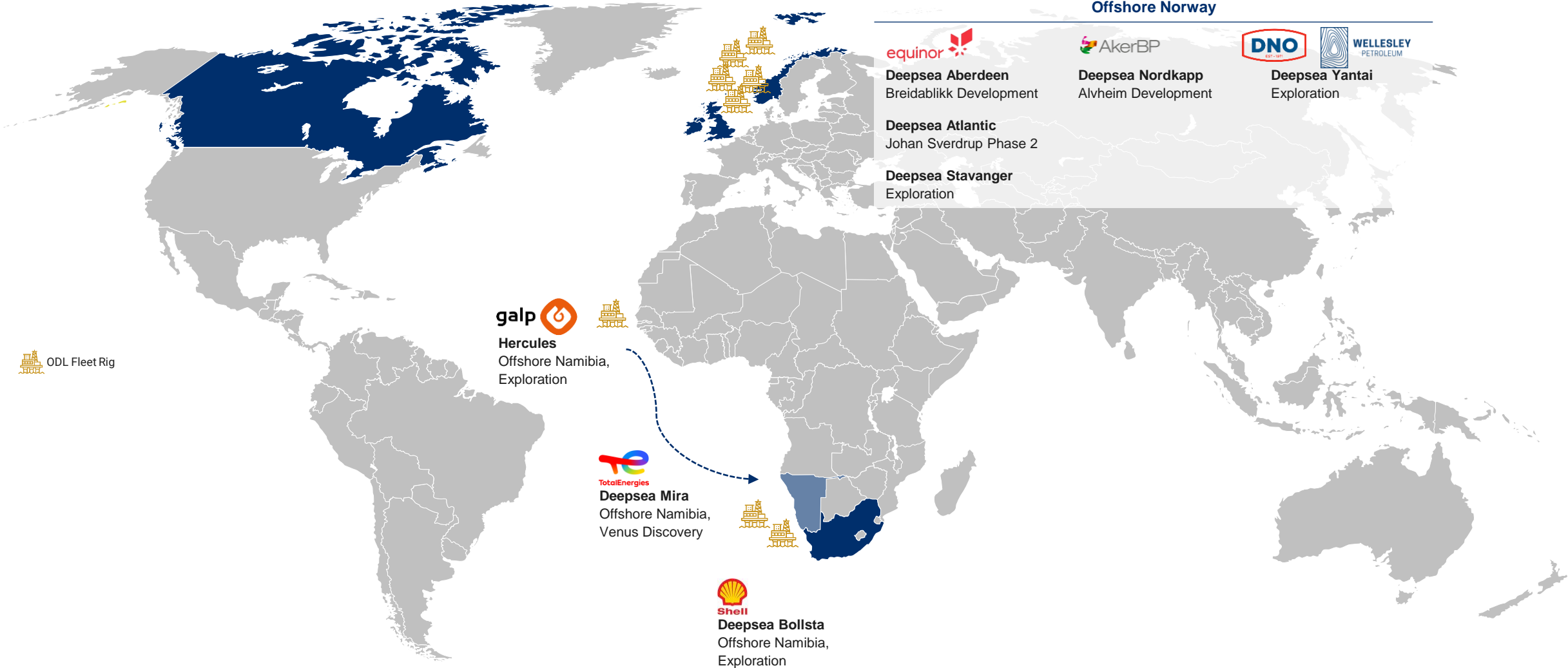
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Summary



All Eight Units Operational



Offshore Norway



Deepsea Aberdeen
Breidablikk Development



Deepsea Nordkapp
Alvheim Development



WELLESLEY
PETROLEUM

Deepsea Yantai
Exploration

Deepsea Atlantic
Johan Sverdrup Phase 2

Deepsea Stavanger
Exploration



Hercules
Offshore Namibia,
Exploration



Deepsea Mira
Offshore Namibia,
Venus Discovery



Deepsea Bollsta
Offshore Namibia,
Exploration



ODL Fleet Rig

Increasing Cash Generation Secured

USD ~2.1bn revenue backlog

■ Contract ■ Option ■ Frame agreement / Alliance agreement

Own fleet	USD
Revenue firm contracts	1.6bn
Revenue priced options	0.5bn
Total revenue backlog	~2.1bn

Own fleet	Year built	Location/Operator	2022	2023	2024	2025	2026	2027	2028	2029
Deepsea Atlantic (6G, UDW, HE)	2009	Norway Equinor	SPS			Priced		Unpriced options (price to be mutually agreed)		
Deepsea Aberdeen (6G, UDW, HE)	2014	Norway Equinor	SPS			Priced with market link		Frame agreement / Alliance agreement		
Deepsea Stavanger (6G, UDW, HE)	2010	Norway Equinor / Aker BP	Priced		SPS	Priced with range (floor and ceiling price linked to market rates)				
Deepsea Nordkapp (6G, UDW, HE)	2019	Norway Aker BP	SPS			Priced with range (floor and ceiling price linked to market rates)				
External fleet										
Deepsea Yantai (6G, MW, HE)	2019	Norway Various	Contract		Contract					
Deepsea Bollsta (6G, DW, HE)	2019	Namibia Shell	Contract	Contract		Option				
Deepsea Mira (6G, DW, HE)	2019	Namibia TotalEnergies		Contract		Option				
Hercules (6G, DW, HE)	2008	Namibia / Canada GALP Energia / Equinor	Contract	Contract	Contract					

SPS: Special Periodic Survey's. The Company anticipates each rig will take between 2-4 weeks to complete their SPS program, at a cost of USD 40m on average for each rig

Definitions: 6G = sixth generation, UDW = Ultra deepwater, HE = Harsh environment,

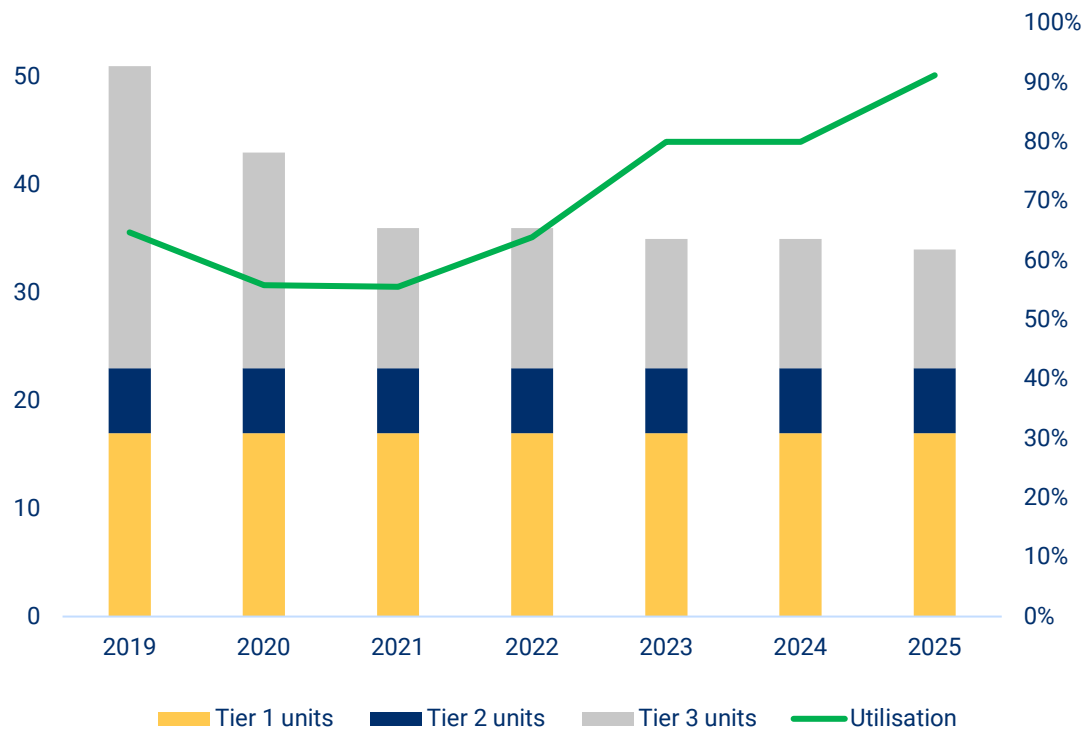
Note: Contract backlog excludes bonus and fuel savings incentive payments. Revenue from External Fleet is not included in the backlog.

The backlog is calculated based on estimated duration of wells or contracted number of days. Duration of wells are estimated.

Market Dynamics Persisting in the Medium to Long Term

Harsh Environment Rigs Supply and Demand Creating Continued Demand for Years to Come

Harsh Environment Semisubmersibles Supply / Utilisation



Supply

Supply remains tight

- Harsh Environment semi submersibles fleet reduced by 33% since 2019
- 35% of HE semi submersibles in excess of 40 years old
- 7 HE semi submersibles have departed the North Sea
- Of the 21 Norwegian AOC compliant HE semi submersibles, just 13 are currently located in Norway

Demand

Preference for Tier 1 HE semi submersibles among clients

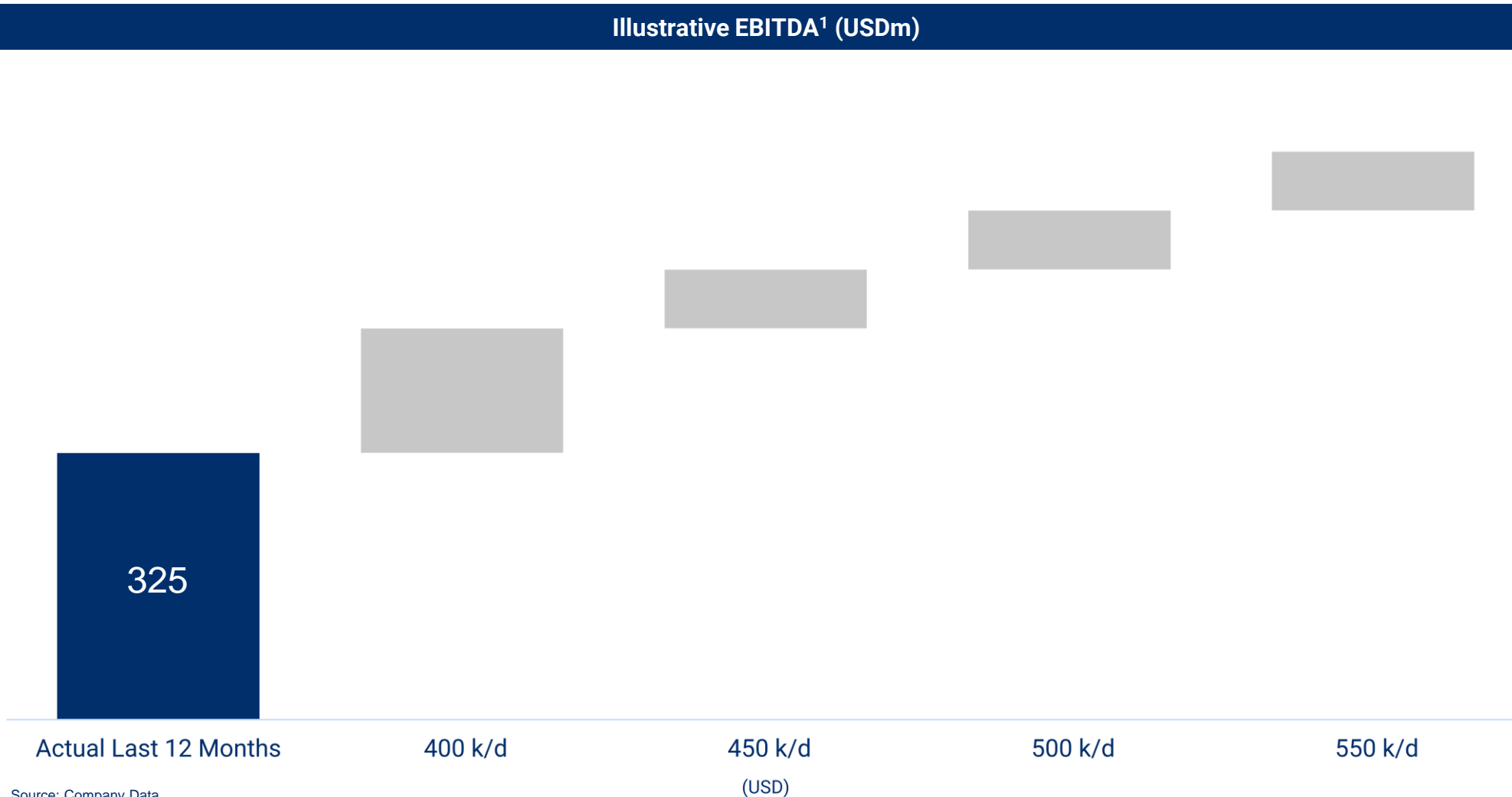
- Higher performance, operability and flexibility
- Delivering lower total well costs

North Sea and International demand growth

- We see continued growth in demand in the medium and long term, resulting in a longer and more resilient upcycle for the industry.

Considerable Upside Potential at Higher Dayrates

Illustrative EBITDA¹ (USDm)



Source: Company Data

¹ Illustrative Odfjell Drilling EBITDA at different average dayrate levels, assuming all other factors equal as last 12 months.

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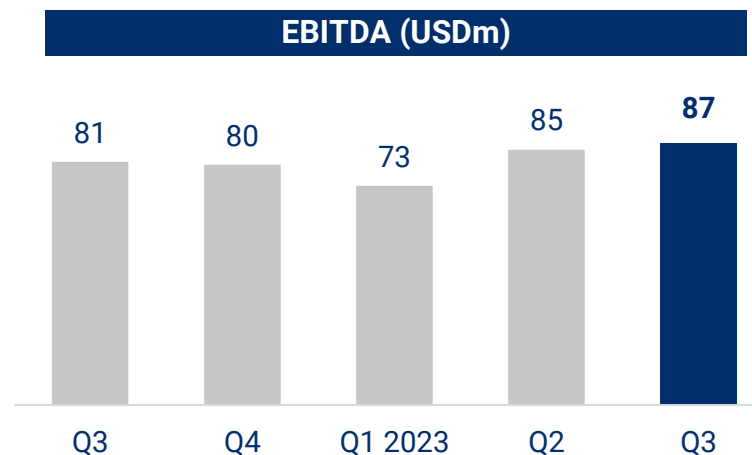
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Summary



Condensed Consolidated Income Statement

USD million	Q3 23	Q3 22	YTD 23	YTD 22	FY 22
Continuing operations					
Operating revenue	186	165	541	483	650
Personnel expenses	(66)	(48)	(193)	(153)	(207)
Other operating expenses	(34)	(35)	(102)	(102)	(135)
EBITDA	87	81	245	228	308
Depreciation, amortisation and impairment	117	(44)	27	(127)	(172)
Operating profit (EBIT)	204	37	272	101	137
Net financial items	(18)	(25)	(68)	(43)	(48)
Profit before taxes	187	12	204	57	88
Income taxes	(2)	(1)	(6)	(3)	(5)
Net profit from continuing operations	185	12	198	54	83
Profit from discontinued operations	-	-	-	47	47
Profit (loss)	185	12	198	101	130
Profit (loss) attributable to:					
Owners of the parent	185	12	198	101	130

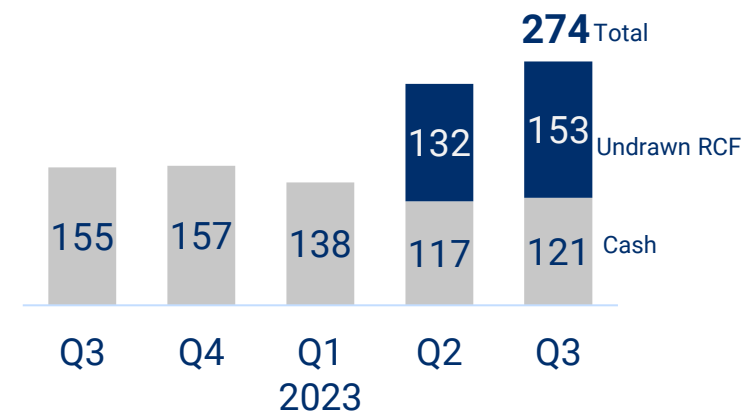


- Operating Revenue of USD 186 million
 - Own Fleet USD 147 million
 - External Fleet USD 39 million
- EBITDA of USD 87 million
 - Own Fleet USD 83 million
 - External Fleet USD 6 million

Robust Balance Sheet and Sound Cash Position

USD million	Q3 23	Q3 22	Q4 22
Assets			
Property, plant and equipment	2,014	1,953	1,938
Intangible assets	3	3	3
Deferred tax asset	1	1	0
Non-current receivable	29	-	-
Other non-current assets	-	10	8
Total non-current assets	2,047	1,967	1,949
Trade receivables	103	86	91
Contract assets	8	8	9
Other current assets	16	15	13
Cash and cash equivalents	121	155	157
Total current assets	247	264	270
Total assets	2,294	2,231	2,219
Equity and liabilities			
Paid-in capital	370	445	370
Other equity	1,012	825	838
Total equity	1,382	1,270	1,208
Non-current interest-bearing borrowings	600	662	529
Non-current lease liabilities	30	39	42
Other non-current liabilities	1	3	3
Total non-current liabilities	630	703	574
Current interest-bearing borrowings	141	141	314
Current lease liabilities	26	25	27
Contract liabilities	8	19	14
Trade payables	40	32	36
Other current liabilities	66	41	47
Total current liabilities	282	258	437
Total liabilities	912	961	1,011
Total equity and liabilities	2,294	2,231	2,219

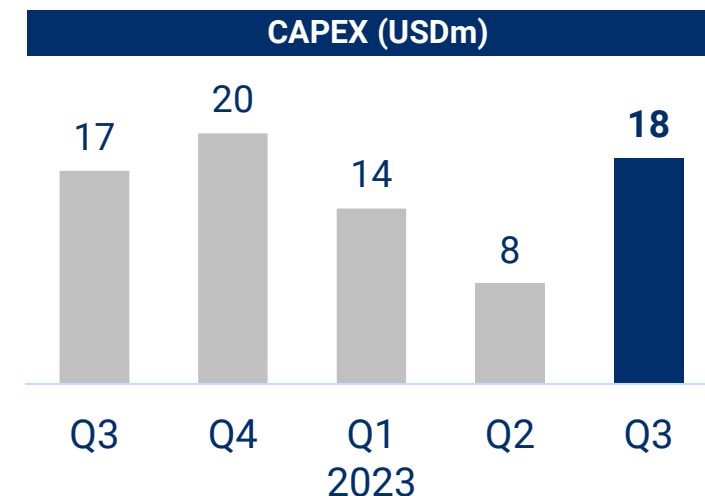
Available Liquidity (USDm)



- Net interest-bearing debt USD 620 million
- Leverage ratio 2.1x
- Equity-ratio 60%
- USD 274 million in available liquidity
 - USD 153 million in undrawn RCF
 - USD 121 million Cash
- Post period, the USD 125 million term loan on the Deepsea Stavanger was made available and used to repay the direct loan of USD 95 million

Strong Cash Flow from Operations

USD million	Q3 23	Q3 22	YTD 23	YTD 22	FY 22
Cash flows from operating activities:					
Profit/(loss) before tax from continuing operations	23	12	40	57	88
Profit before tax from discontinued operations	-	-	-	10	10
Adjustment for interest, provisions and non-cash elements	68	66	201	185	233
Changes in working capital	(12)	(2)	(4)	(21)	(9)
Cash generated from operations	80	75	237	232	322
Net interest paid	(3)	(11)	(33)	(33)	(45)
Net income tax paid	(0)	(1)	(6)	(1)	(2)
Net cash flow from operating activities	76	64	198	198	275
-of which from continuing operations	76	64	198	185	263
Cash flows from investing activities:					
Purchase of property, plant and equipment	(18)	(17)	(52)	(46)	(67)
Proceeds from grants	-	-	13	6	6
Proceeds from sale of property, plant and equipment	-	-	-	1	1
Disposal of discontinued operations, net cash disposed of	-	-	-	(50)	(50)
Payment regarding letter of indemnity to Odfjell Technology Ltd.	-	-	(31)	-	-
Other investing activities	-	-	-	(2)	(2)
Net cash flow from investing activities	(18)	(17)	(70)	(91)	(111)
-of which from continuing operations	(18)	(17)	(40)	(32)	(52)
Cash flows from financing activities:					
Proceeds from borrowings	-	-	415	147	242
Repayment of borrowings	(35)	(21)	(536)	(239)	(317)
Repayment of lease liabilities	(6)	(6)	(17)	(13)	(19)
Payment acquisition of treasury preference shares	-	-	-	-	(75)
Dividends paid	(14)	-	(14)	(2)	(2)
Net cash flow from financing activities	(55)	(27)	(152)	(108)	(172)
-of which from continuing operations	(55)	(27)	(152)	(254)	(318)
Effects of exchange rate changes on cash and cash equivalents	(1)	(9)	(12)	(16)	(9)
Net increase (decrease) in cash and cash equivalents	3	11	(37)	(18)	(16)
Cash and cash equivalents at beginning of period	117	144	157	173	173
Cash and cash equivalents at period end	121	155	121	155	157
Available Revolving Credit Facility	153				
Total Available Cash	274				



- Capex of USD 18 million related to purchases of fixed assets

Q3 Dividend of USD 14.2 Million

Key details of Q3 Dividend

- 0.06 USD / share
- Ex-Dividend date: 10 November
- Record date: 13 November
- Payment date: 22 November

Dividends declared in USD. Actual NOK payment per share will be determined based on the exchange rate at record date.



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Q3 2023 Summary



- Strong operational quarter
- Entire fleet active and performing well
- Highest quarterly EBITDA and revenue
- Quarterly dividend of USD 14.2 million
- Positive market outlook in the medium and long term, resulting in impairment reversal
- Strong order backlog, with higher value contracts secured



An aerial photograph of the Deepsea Atlantic offshore drilling rig. The rig is a large, complex structure with a prominent derrick and various deck levels. It is situated in the middle of a vast, blue ocean. The rig's hull is yellow, and the upper sections are white and grey. A large crane is visible on the right side of the rig. The text "DEEPSEA ATLANTIC" is visible on the rig's structure. A helipad with a large "H" is located on the left side of the rig. The rig's identification number "IMO 9769042" is visible on the hull. The overall scene is a high-angle, wide shot of the rig in operation.

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