



Investor Presentation

September 2024

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**Harsh environment
market leader**



Fully sold-out fleet



**Supply and demand well
balanced**



**Dividend paying,
with intention to increase**

Odfjell Drilling at a Glance

- 51 years of pioneering harsh environment drilling
- Fleet of advanced, modern and flexible rigs
- Strong secured backlog with solid customers
- Robust balance sheet and liquidity position



■ Owned rigs ■ Managed rigs

Excellent operational performance and backlog

FORWARD BACKLOG

USD 2.1bn

Q2 LTM EBITDA

USD 341m

Robust financial profile

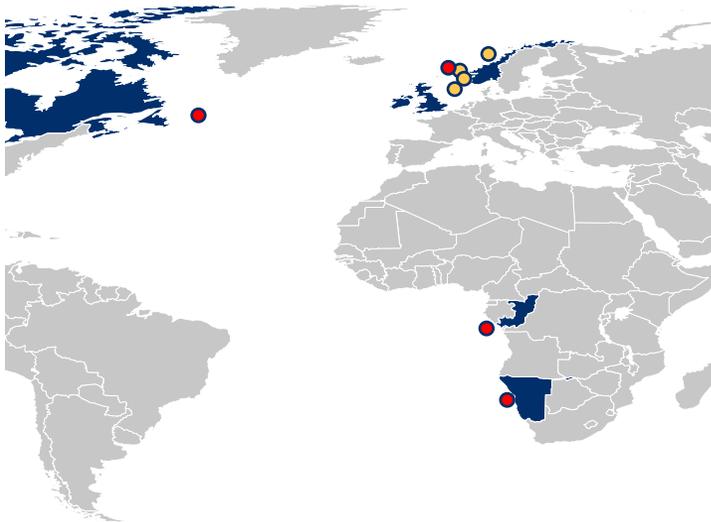
Q2 LEVERAGE RATIO

1.8X

AVAILABLE LIQUIDITY

USD 226m

The World's Most Flexible Drilling Units



● Odfjell Drilling own fleet ● Odfjell Drilling external fleet

Own Fleet



Deepsea Aberdeen
Breidablikk Development

Deepsea Atlantic
Fram Field

Deepsea Stavanger
Exploration



Deepsea Nordkapp
Alvheim Development

External Fleet



Deepsea Bollsta
SPS / Mobilising

Deepsea Mira
Congo Exploration

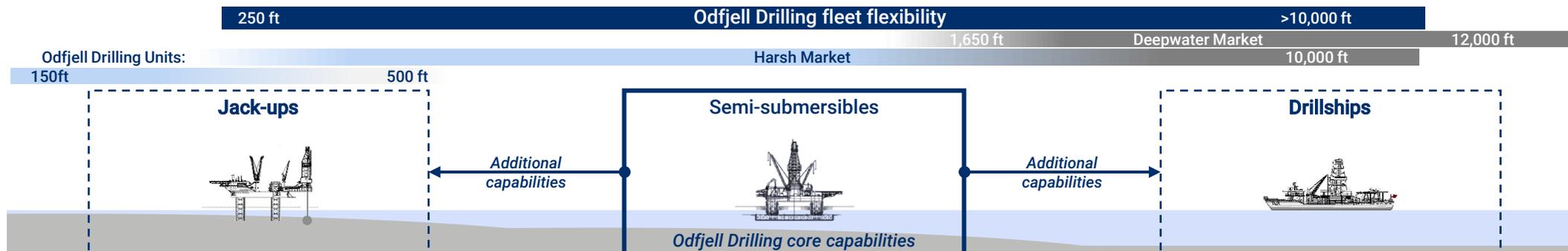


Hercules
Canada Exploration



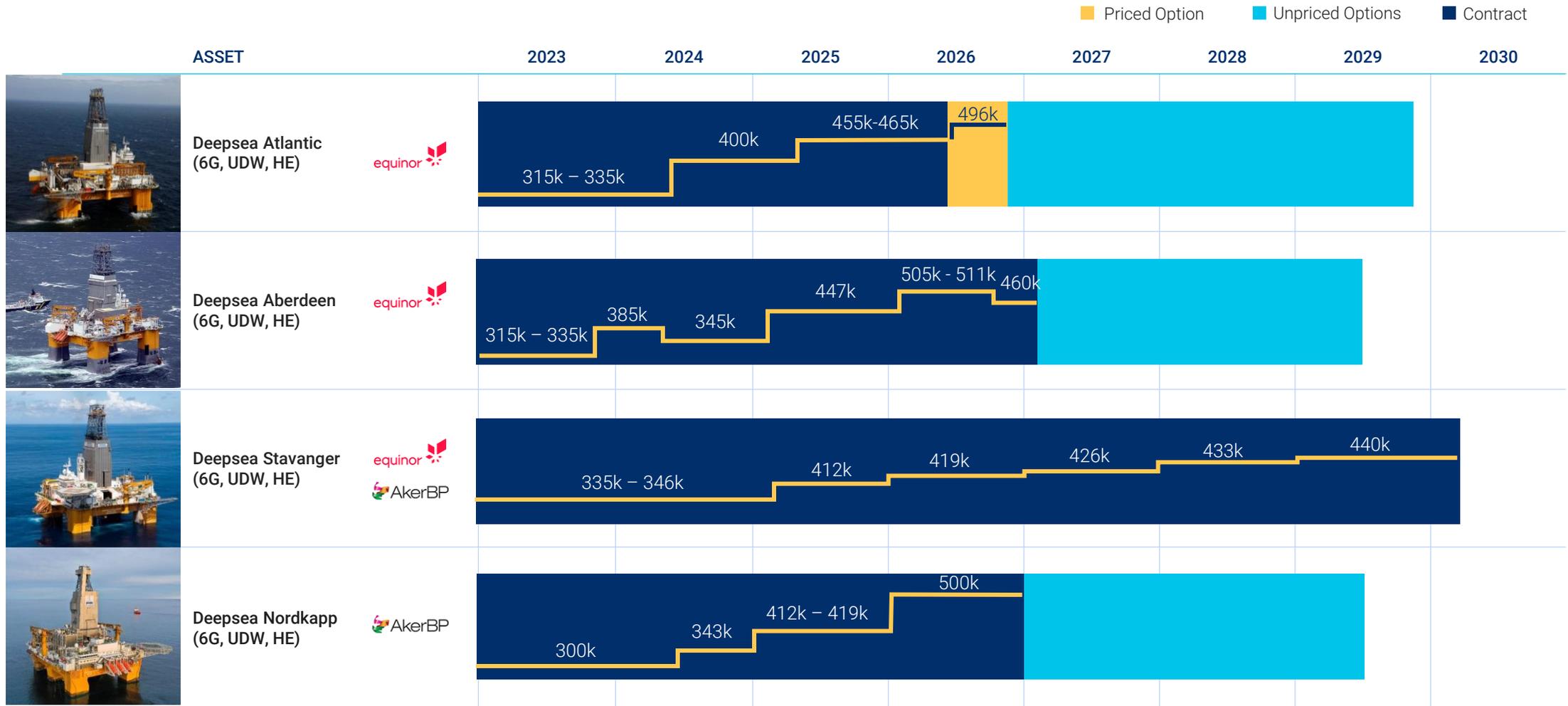
Deepsea Yantai
NCS Exploration

Fleet flexibility



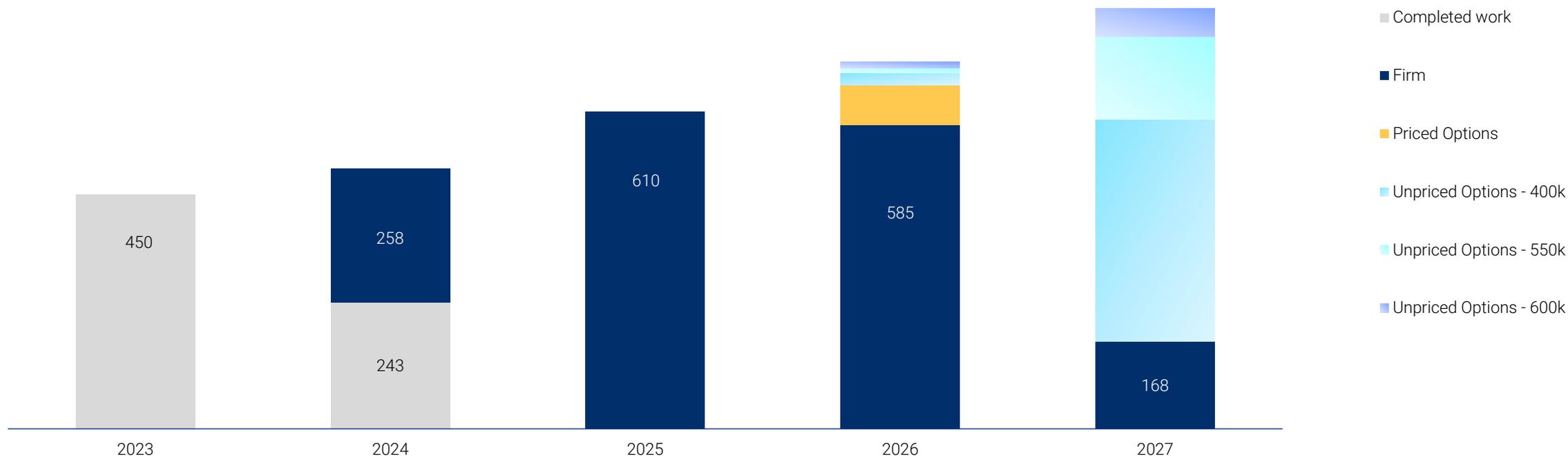


Strong Client Relationships and Backlog on Increasing Day rates



Day rates shown do not include bonuses, fuel incentives or add-ons. Day rates are subject to fluctuations in exchange rate as contract values use a mix of NOK, GBP and USD and assume a modest assumption on price escalation. Timelines are indicative and are based on normal well progress. Rates on Deepsea Stavanger assumes ceiling price on 5-year Aker BP contract is met.

Growth Secured with Significant Free Cashflow Ahead



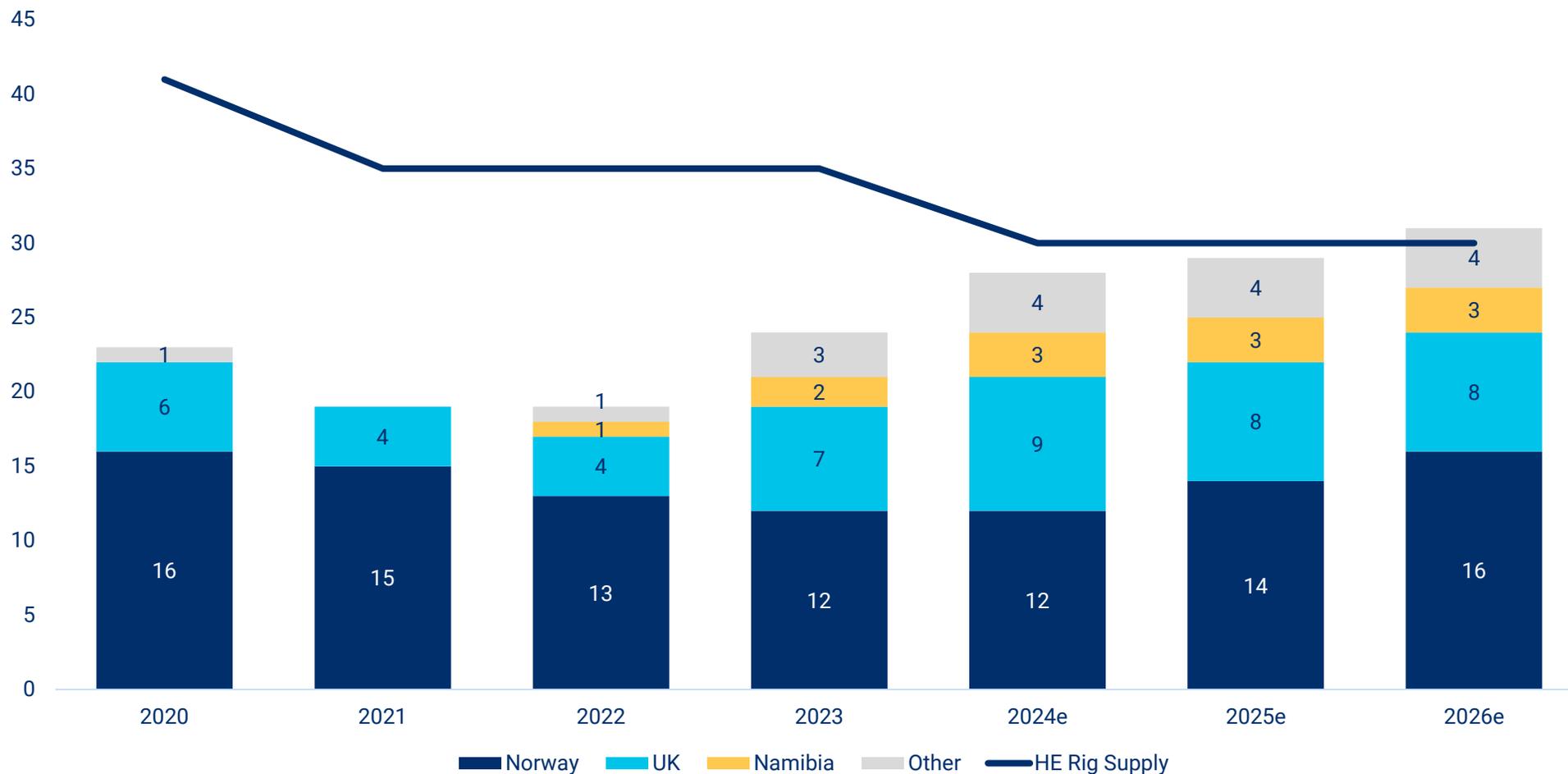
ASSET	SPECIFICATIONS	2023	2024	2025	2026	2027	2028	2029	2030
Deepsea Atlantic	(6G, UDW, HE)	Completed	Firm	Firm	Firm + Priced Options	Unpriced Options - 400k	Unpriced Options - 400k	Unpriced Options - 400k	
Deepsea Aberdeen	(6G, UDW, HE)	Completed	Firm	Firm	Firm	Unpriced Options - 400k	Unpriced Options - 400k	Unpriced Options - 400k	
Deepsea Stavanger	(6G, UDW, HE)	Completed	Firm	Firm	Firm	Firm	Firm	Firm	
Deepsea Nordkapp	(6G, UDW, HE)	Completed	Firm	Firm	Firm	Unpriced Options - 400k	Unpriced Options - 400k	Unpriced Options - 400k	

Revenue backlog shown does not include bonuses, fuel incentives or add-ons. Day rates are subject to fluctuations in exchange rate as contract values use a mix of NOK, GBP and USD and assume a modest assumption on price escalation. Timelines are indicative and are based on normal well progress. Rates on Deepsea Stavanger assumes ceiling price on 5-year Aker BP contract is met.



Harsh Environment Semi Market is Tightening

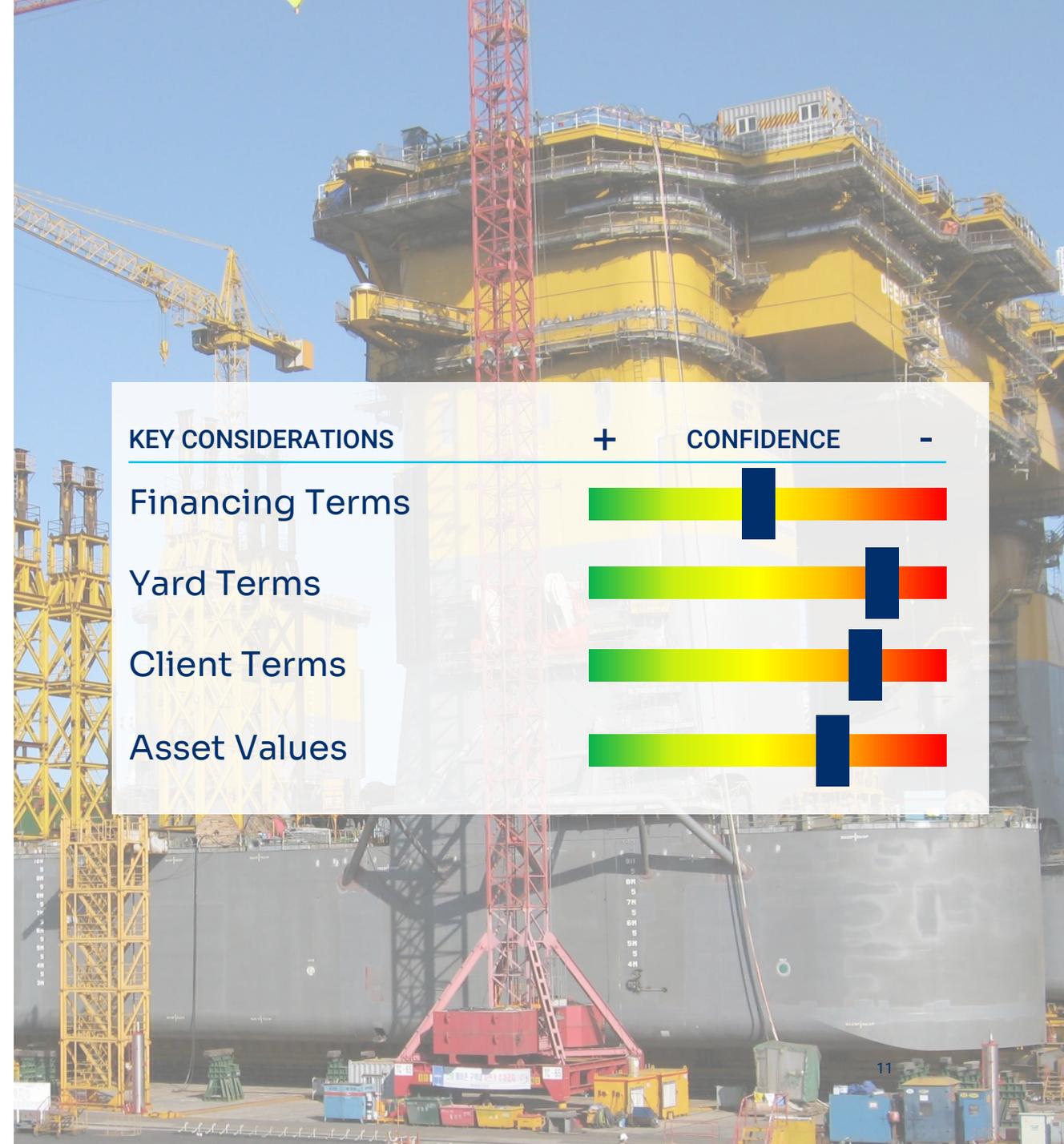
Demand increasing whilst supply reduced



Source: Arctic Offshore Rig, S&P Petrodata, Rystad Energy, Arctic Securities, Odfjell Drilling

No Newbuilds Expected

- A new HE floater could take around four years from project sanction and cost USD 800 – 1000m
- We estimate upfront payments of around 50% required by yards
- Day rate needed to justify a newbuild would need to exceed USD 720kpd with a 5-year contract
- Any newbuilds would likely be similar in design to our owned fleet



KEY CONSIDERATIONS

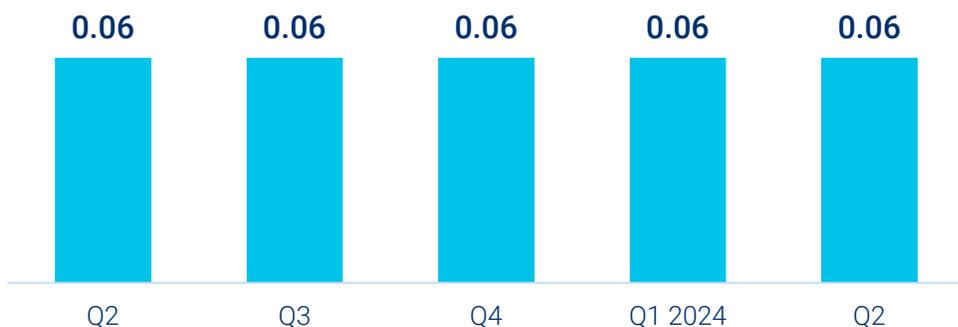




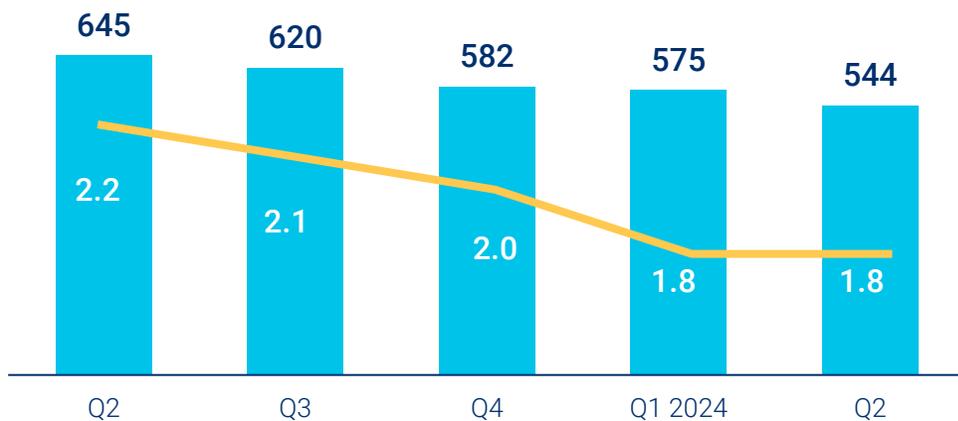
Dividend paying,
with intention to increase

Dividend and Deleveraging

Dividend History



Net debt and Leverage Ratio



KEY CONSIDERATIONS

OUTLOOK

Leverage ratio



Total cash



Cash flow visibility



Contract backlog



Market position

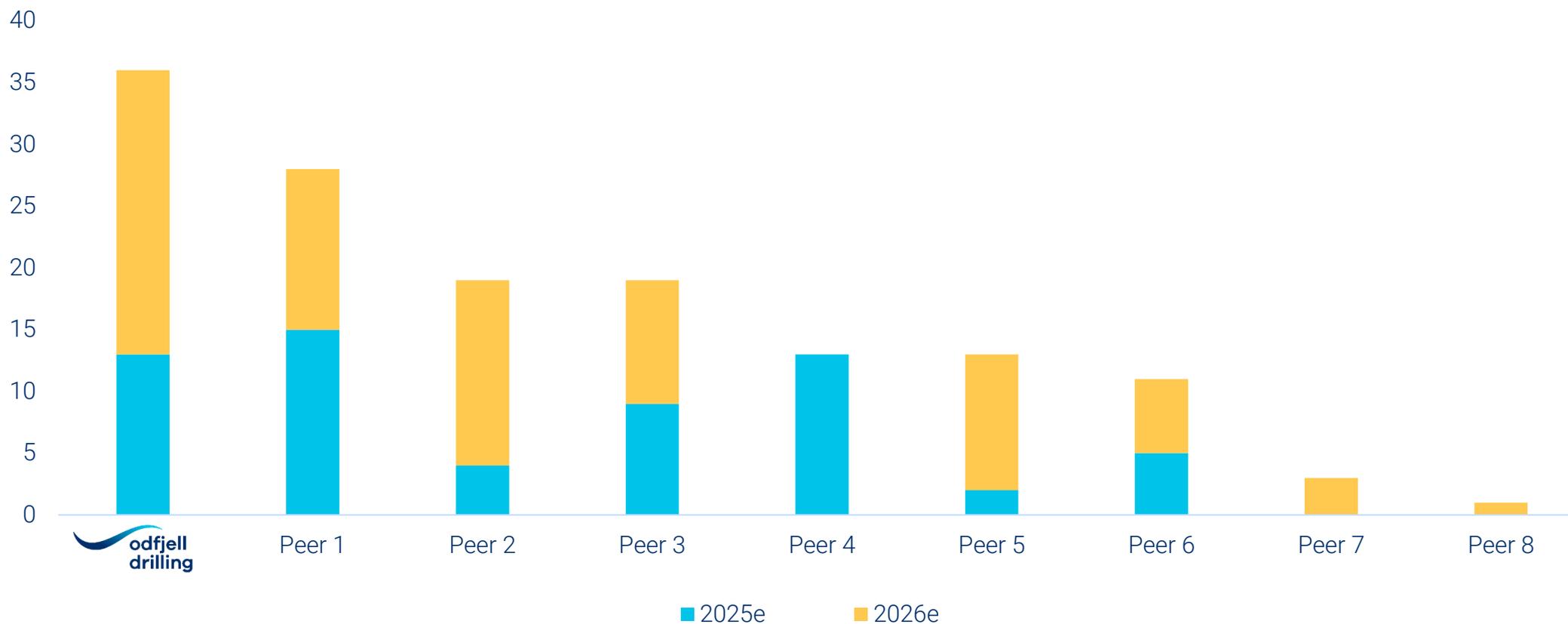


THE OUTLOOK LOOKS BRIGHT...

Compelling Upside

Analyst Forecasts

CASH FLOW TO EQUITY



Source: DNB Markets



**Harsh environment
market leader with
exceptional track record**



**Fully sold-out fleet, with
all rigs moving from
legacy day rates to much
higher value contracts**



**Supply and demand well
balanced creating strong
market dynamics,
entering a long-term
robust upcycle**



**Dividend paying, with
intention to increase
in near future**

For further information, please contact:

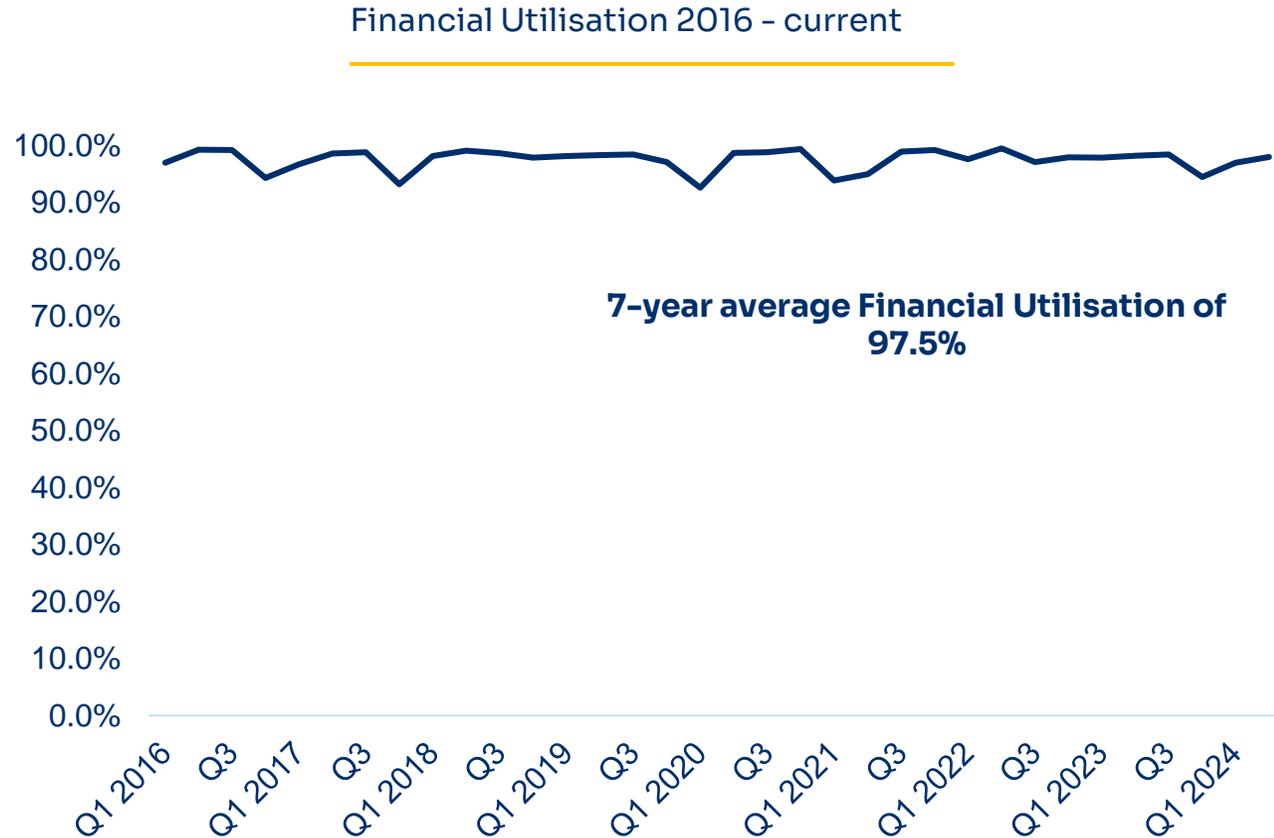
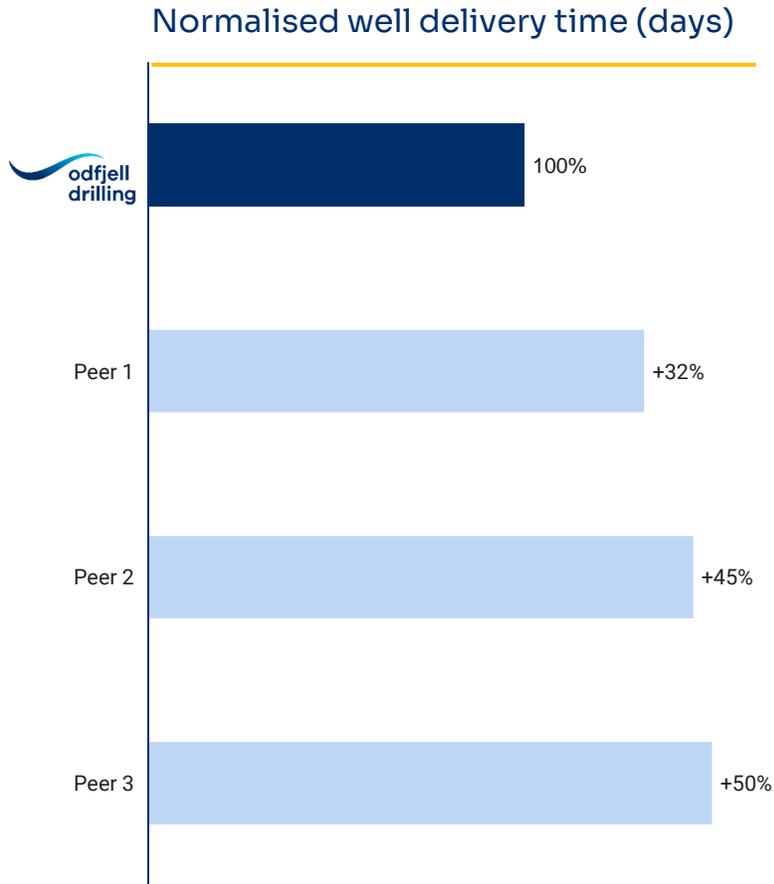
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Appendix



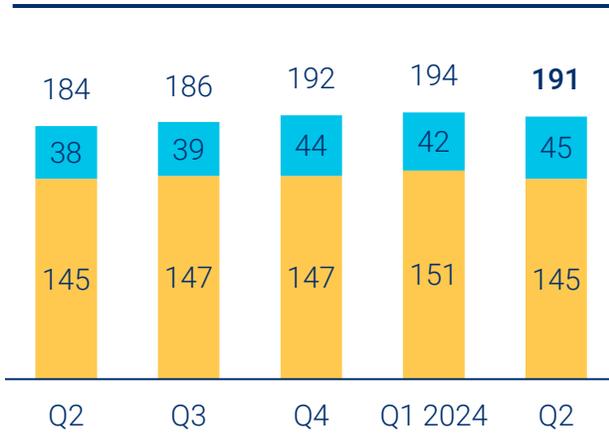
Superior Operations and Uptime



Unique capacity for complex operations fully visible in leading well performance and backlog position vs. peers

Positive Income Growth Through the Year

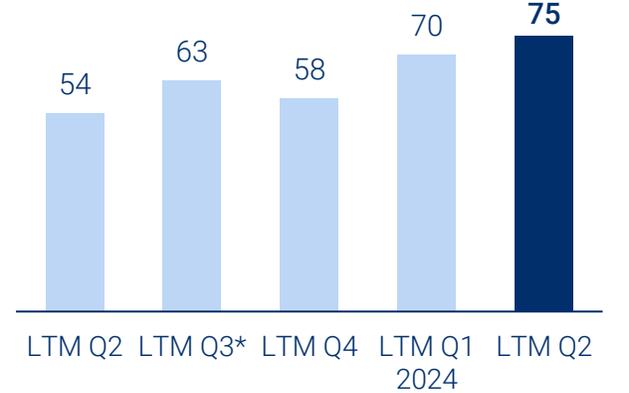
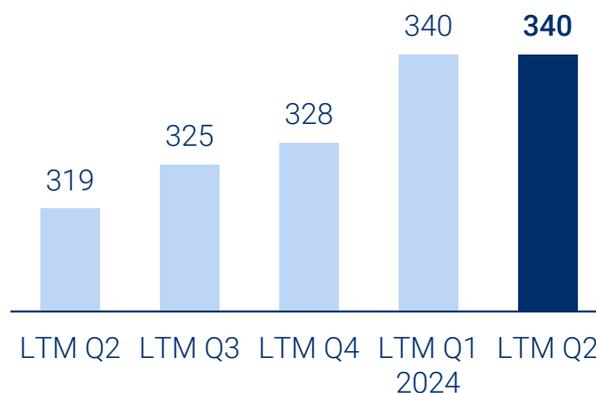
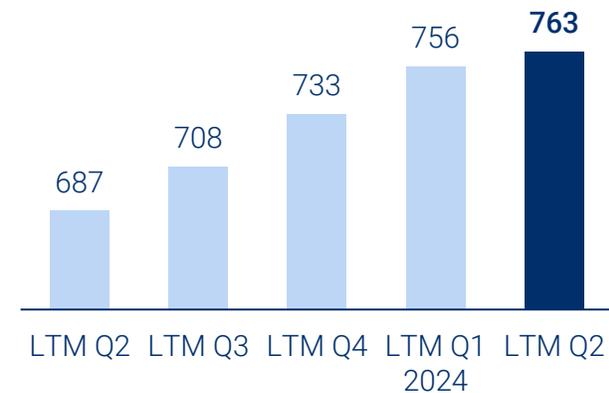
Revenue (USDm)



EBITDA (USDm)



Net Profit (USDm)

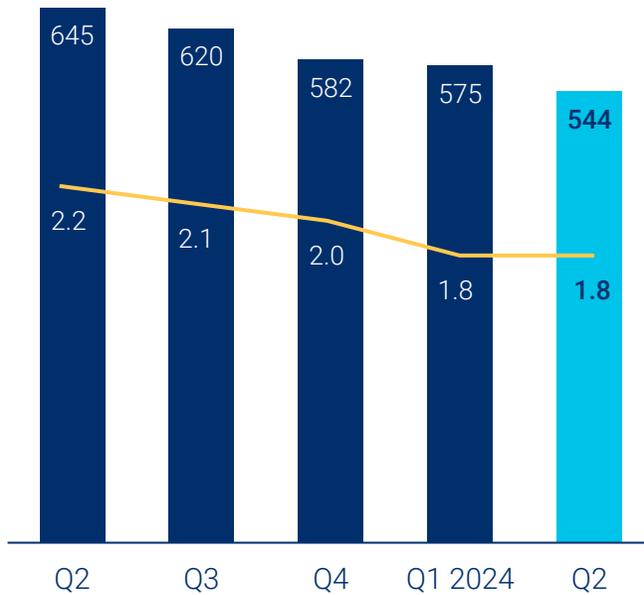


Own Fleet Contribution External Fleet Contribution

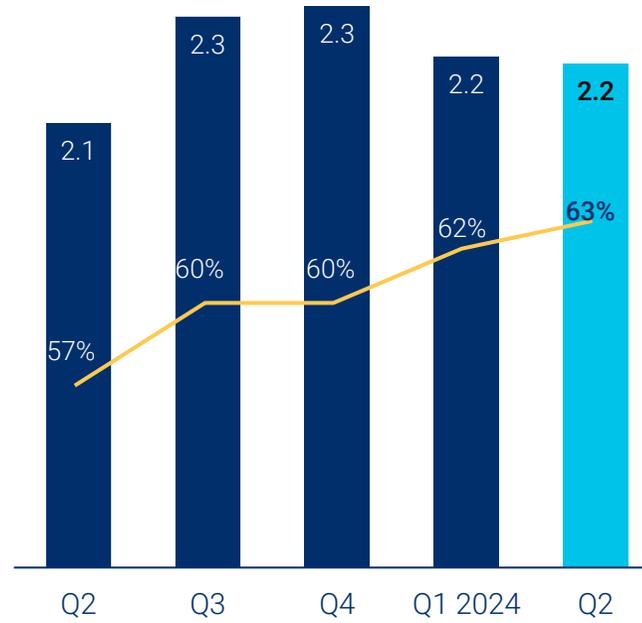
*Net profit during Q3 2023 was USD 184 million following a reversal of an impairment loss of USD 163 million. For these charts, the aforementioned impairment loss reversal has been removed from the net profit calculation.

Robust Balance Sheet and Strong Liquidity

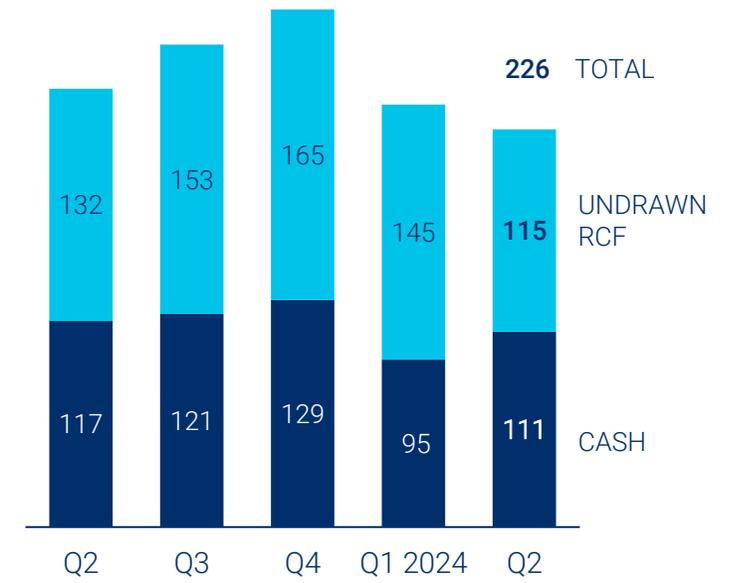
Net debt (USDm) and Leverage Ratio



Total Assets (USDbn) and Equity Ratio

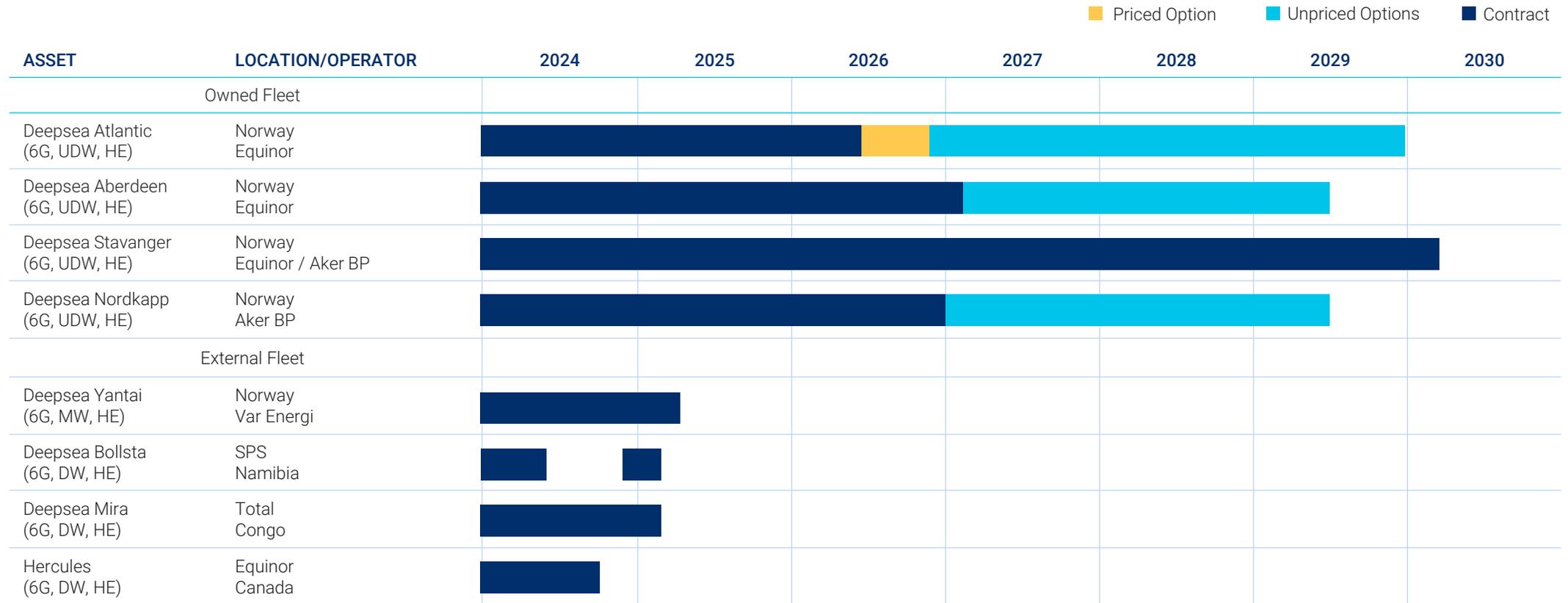


Available Liquidity (USDm)



Revenue Generation Significantly Increasing from 2025 Onwards

Increasing Own Fleet Revenue Backlog, Excluding Bonuses and Add-ons (USD m)



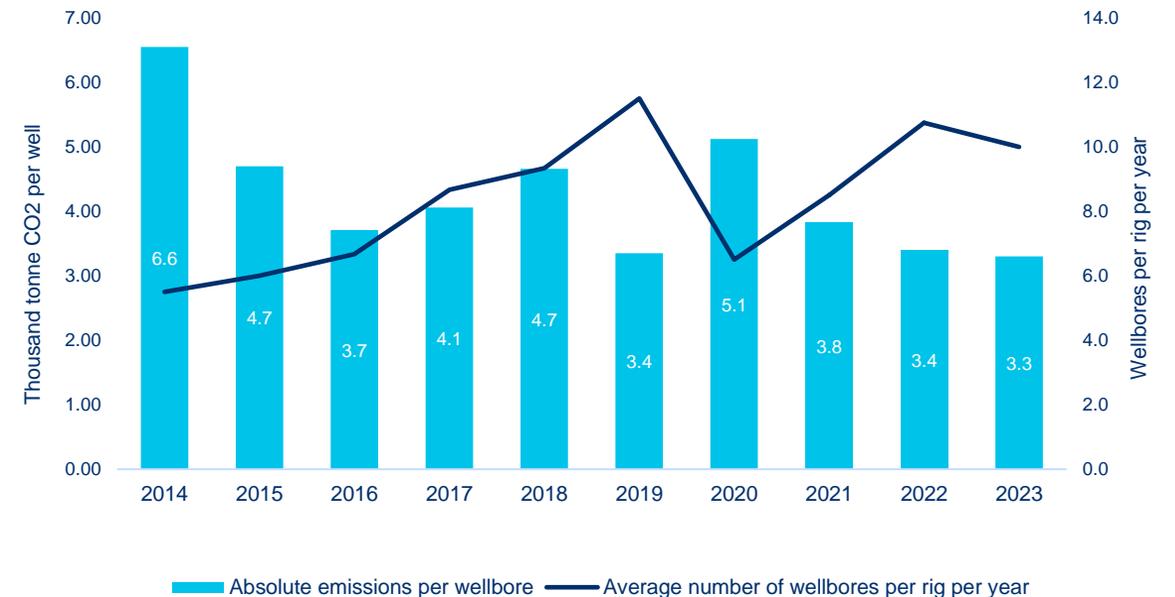
Emission reduction focus

Our focus is on enhancing our competitiveness, reputation, and long-term resilience, while also meeting the evolving expectations of stakeholders and regulators

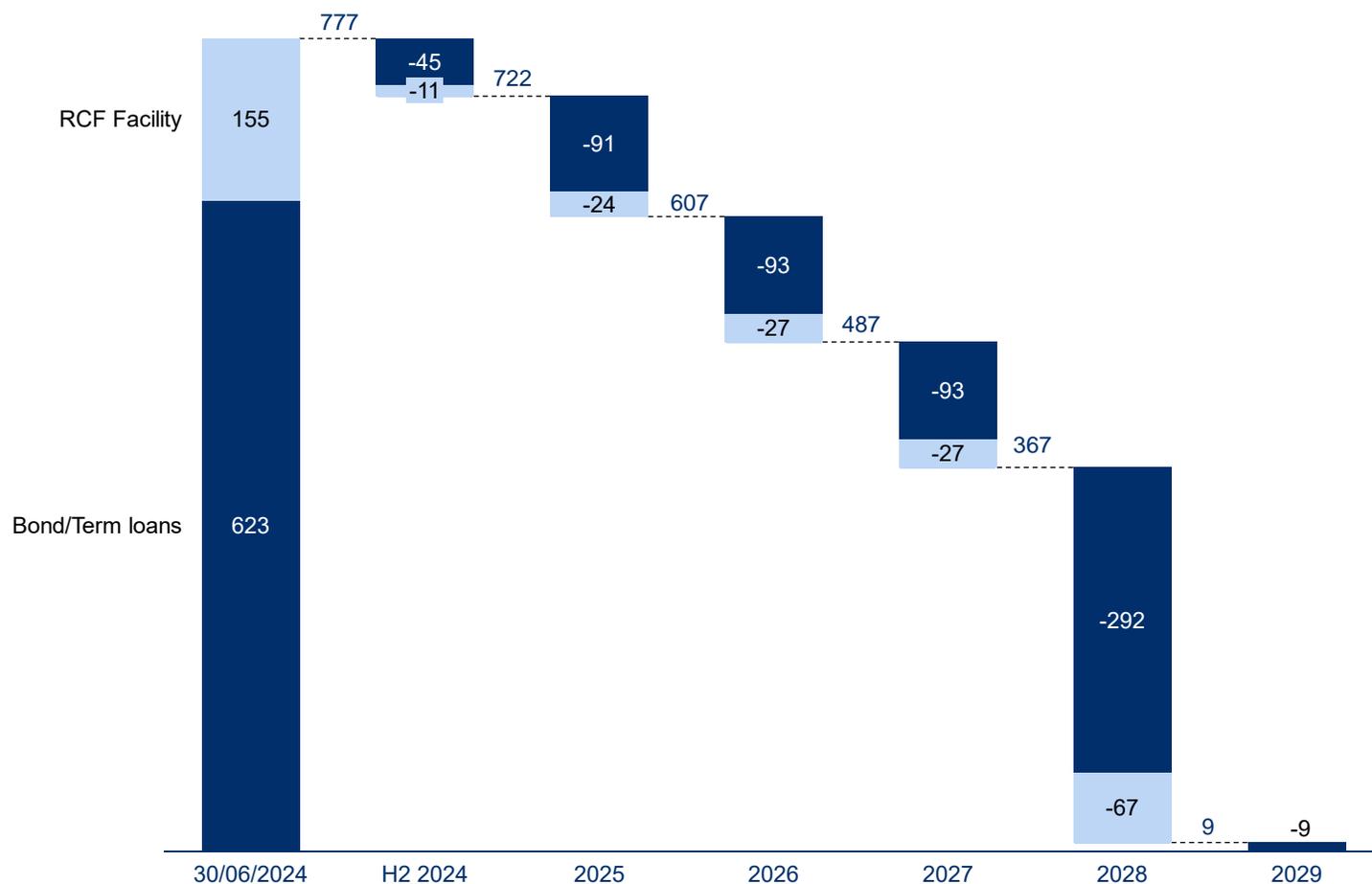
- ✓ USD 50m invested in carbon-efficiency projects across the fleet
- ✓ Hybrid Battery Power and flywheel installed on all own rigs
- ✓ Onboard cooling and ventilation systems
- ✓ Installation of a direct current grid system
- ✓ Deepsea Nordkapp outfitted with an exhaust cleaning system limiting Nox emissions
- ✓ Pilot project on engines running on biofuel
- ✓ Concept studies on WindGrid™ solutions and shore power

Priorities going forward

- Drill CO2 wells for various customers in Q4 2024 and Q1 2025
- Preparedness for future requirements of our stakeholders
- Delivering on our targets: 2026 milestone 40% CO2 emissions reduction per well



No significant debt maturities until 2028



Robust balance sheet with flexibility

- No significant debt maturities until 2028
- Capital structure allows for significant flexibility to achieve our long-term strategic goals

Balance Sheet Strategy

- Maintain prudent debt level, with net leverage ratio not exceeding 2.0x, always considering contract backlog and outlook
- Maintain strong cash position and financial flexibility
- Manage financial risks such as interest rate risk, foreign exchange risk and tax risk

Debt Facilities Overview

Instrument	USD 390m senior secured 1 st lien bond (Aberdeen & Atlantic)	USD 197m senior secured term loan facility (Nordkapp)	USD 175m senior secured revolving credit facility (Stavanger RCF tranche)	USD 125m senior secured revolving credit facility (Stavanger term loan tranche)
Collateral Rigs:	Deepsea Aberdeen and Deepsea Atlantic	Deepsea Nordkapp	Deepsea Stavanger	Deepsea Stavanger
Outstanding per Q2 2024:	USD 343m	USD 163m	USD 40 drawn USD 115m undrawn	USD 110m
Maturity:	May 2028	January 2029	February 2028	February 2028
Financial Covenants:	<ul style="list-style-type: none"> • Equity Ratio \geq 30% • Free Liquidity \geq USD 50m • Current Ratio \geq 1.0x 	<ul style="list-style-type: none"> • i.Equity Ratio \geq 30% and Equity \geq USD 600m • ii.Leverage Ratio \leq 5.0x • iii.Current Ratio \geq 1.0x • iv.Free Liquidity \geq USD 50m and Total Liquidity \geq 5% of IBD 	<ul style="list-style-type: none"> • i.Equity Ratio \geq 30% and Equity \geq USD 600m • ii.Leverage Ratio \leq 3.0x • iii.Current Ratio \geq 1.0x • iv.Free Liquidity \geq USD 50m and Total Liquidity \geq 7.5% of IBD 	<ul style="list-style-type: none"> • i.Equity Ratio \geq 30% and Equity \geq USD 600m • ii.Leverage Ratio \leq 3.0x • iii.Current Ratio \geq 1.0x • iv.Free Liquidity \geq USD 50m and Total Liquidity \geq 7.5% of IBD
Distribution restrictions:	<ul style="list-style-type: none"> • i.Leverage ratio \leq 3.00 (reducing to 2.00 from December 2025) • ii.Total cash (including undrawn RCF) \geq \$150 million (reducing to \$100 million after completion of the Company's final Special Periodic Survey in H1 2025) 	<ul style="list-style-type: none"> • i.Leverage Ratio \leq 3.0x • ii.Free cash \geq \$75 million 	<ul style="list-style-type: none"> • i.Leverage Ratio \leq 3.0x • ii.Free cash \geq \$75 million 	<ul style="list-style-type: none"> • i.Leverage Ratio \leq 3.0x • ii.Free cash \geq \$75 million

Leverage ratio adjustment: EBITDA and Interest-Bearing Debt for newbuilds or fleet additions will be disregarded until the first full month after either (i) six months after commencement of a firm contract or (ii) twelve months from the contractual delivery date. Afterward, actual EBITDA will be annualised until a full twelve-month earnings history is achieved.

SPS Update

Two down, two to go

- Deepsea Nordkapp and Deepsea Atlantic both now successfully completed Special Periodic Surveys
 - Deepsea Nordkapp completed without idle time
 - Deepsea Atlantic on budgeted time, with costs expected to be in line with expectations
- Average capex allocation for the remaining two SPS programs remains around USD 50 million per unit with 2-4 weeks of off-hire time
- Deepsea Aberdeen is now expected to be completed in H1 2025
- Deepsea Stavanger expected to be completed in Q2 2025

SPS schedule

Deepsea Nordkapp



COMPLETED

Deepsea Atlantic

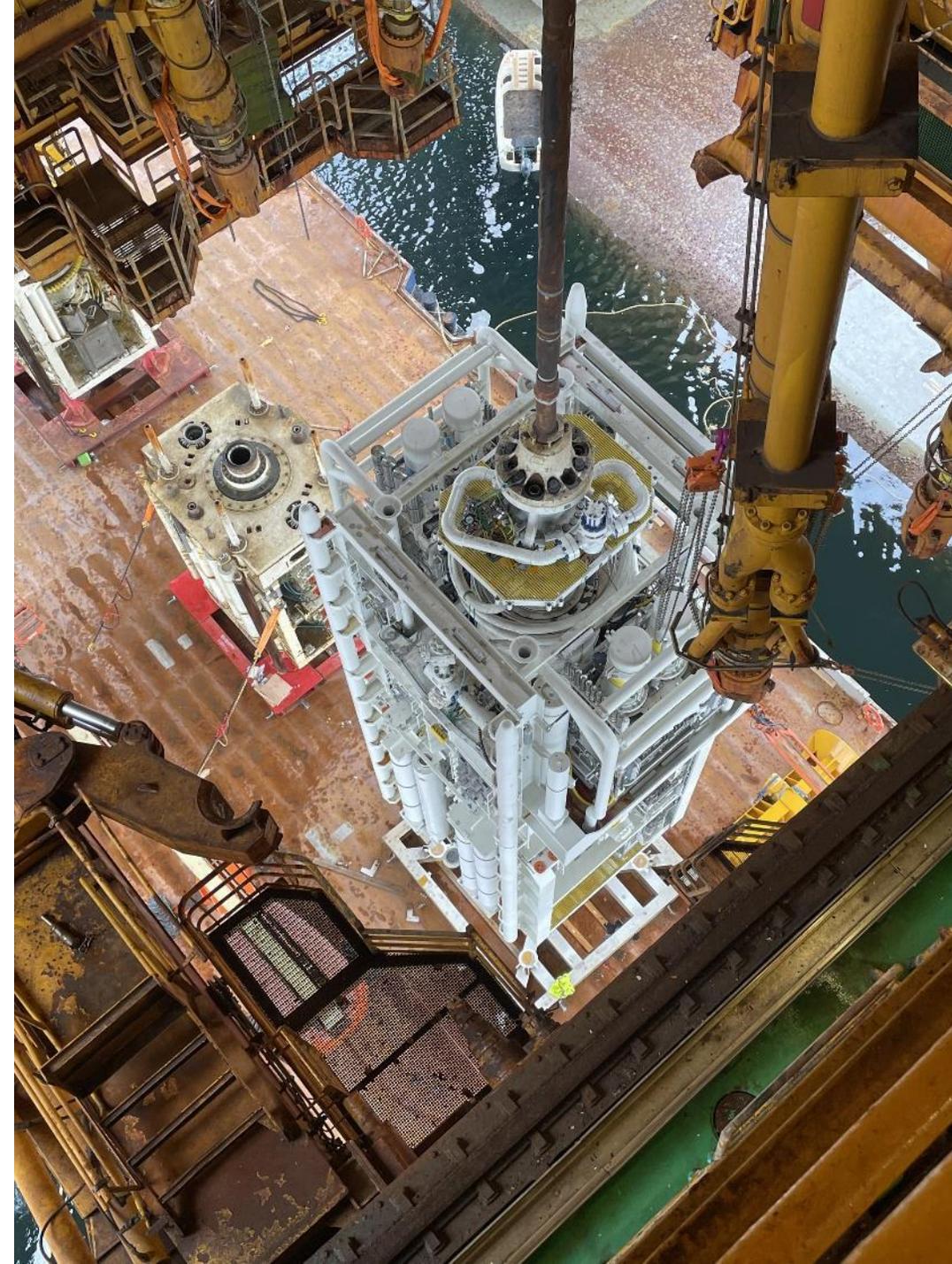


Deepsea Aberdeen



2025

Deepsea Stavanger



Tier 1 HE Semi Availability

Tier 1: HE Semi	Manager	Year	WD (ft)	Region	Operator	Rig Status	Tier	Free date	Q1/24	Q2/24	Q3/24	Q4/24	Q1/25	Q2/25	Q3	Q4	Q1/26	Q2/26	Q3/26	Q4/26
West Phoenix	Seadrill	2008	10,000	NW Europe	n.a.	Yard	Tier 1	Aug-24												
Deepsea Bollsta	Odfjell Drilling	2019	7,500	W Africa	n.a.	Yard	Tier 1	Aug-24												
Deepsea Mira	Odfjell Drilling	2018	10,000	W Africa	Total	Drilling	Tier 1	Jan-25												
Hercules	Odfjell Drilling	2008	10,000	Canada East	Equinor	Drilling	Tier 1	Jan-25												
Ocean GreatWhite	Diamond Offshore	2016	10,000	NW Europe	BP	Drilling	Tier 1	Feb-25												
Transocean Equinox	Transocean	2015	1,640	Aus/NZ	Shell	Drilling	Tier 1	Apr-25												
Transocean Endurance	Transocean	2015	2,822	Aus/NZ	Woodside	Drilling	Tier 1	Jun-25												
Nordic Winter	Rigco Holding Pte Ltd	2025	4,921	SE Asia	n.a.	Standby	Tier 1	Jun-25												
Transocean Enabler	Transocean	2016	1,640	NW Europe	Equinor	Drilling	Tier 1	Dec-25												
Scarabeo 8	Saipem	2012	9,843	NW Europe	Aker BP	Drilling	Tier 1	Jan-26												
Transocean Spitsbergen	Transocean	2010	6,500	NW Europe	Equinor	Drilling	Tier 1	Feb-26												
Nordic Spring	Rigco Holding Pte Ltd	2026	4,921	SE Asia	n.a.	Standby	Tier 1	May-26												
Deepsea Atlantic	Odfjell Drilling	2009	10,000	NW Europe	Equinor	Drilling	Tier 1	Jul-26												
Transocean Encourage	Transocean	2015	1,640	NW Europe	Equinor	Drilling	Tier 1	Jul-26												
Transocean Barents	Transocean	2009	7,545	Med/Black Sea	n.a.	Yard	Tier 1	Jul-26												
Deepsea Nordkapp	Odfjell Drilling	2019	6,562	NW Europe	Aker BP	Drilling	Tier 1	Dec-26												
Deepsea Aberdeen	Odfjell Drilling	2014	10,000	NW Europe	Equinor	Drilling	Tier 1	Mar-27												
Transocean Norge	Transocean	2019	10,000	NW Europe	Wintershall DEA	Drilling	Tier 1	Apr-28												
Deepsea Stavanger	Odfjell Drilling	2010	10,000	NW Europe	Equinor	Drilling	Tier 1	Jan-30												

Firm contract
 Options
 Under construction

Capital allocation strategy – summary



Robust balance sheet with prudent leverage

- ✓ Prudent debt level, with net leverage ratio not exceeding 2.0x, always considering contract backlog and outlook
- ✓ Maintain strong cash position and financial flexibility
- ✓ Manage financial risks such as interest rate risk, foreign exchange risk and tax risk



Leading harsh-environment contractor

- ✓ Disciplined investment in existing fleet to increase efficiency and uptime, reduce maintenance costs and maintain competitiveness
- ✓ Invest in economically viable carbon-efficiency projects across the fleet
- ✓ All investments evaluated based on payback period, rate of return and overall impact



Increasing quarterly distributions

- ✓ Cash distributions will reflect free cash flow generation and prudent leverage over time
- ✓ Increase in dividend payments targeted in 2025 and beyond
- ✓ Dividends always subject to cash flow visibility, market and financial outlook



Evaluate accretive fleet expansion

- ✓ Evaluate opportunities to expand fleet, subject to visibility of contracts and cash flow
- ✓ M&A to be strategically valuable and be accretive from a shareholder perspective

For further information, please contact:

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