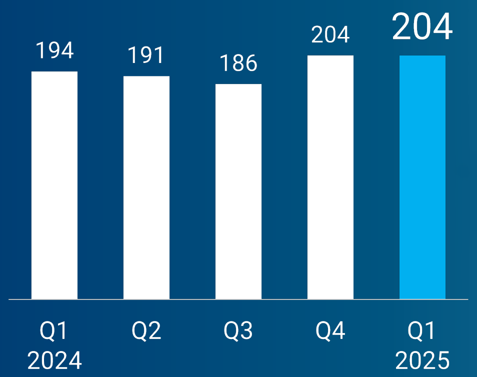
Report for the 1st Quarter of 2025

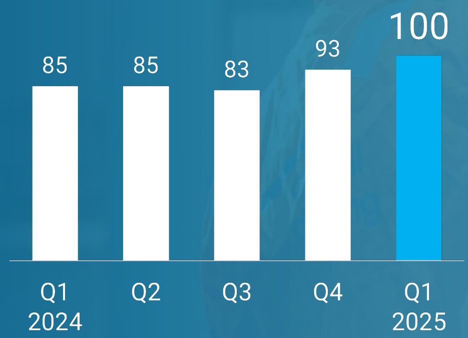
16 May 2025

Q1 Key Results

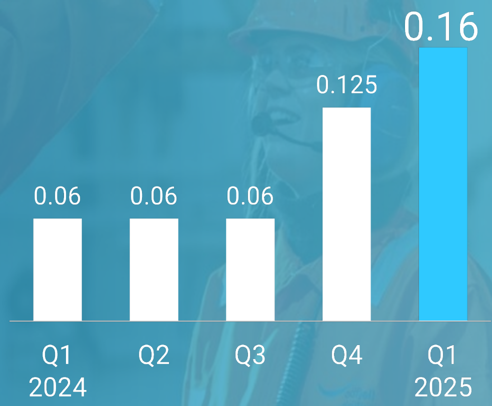
REVENUE ($m)



EBITDA ($m)

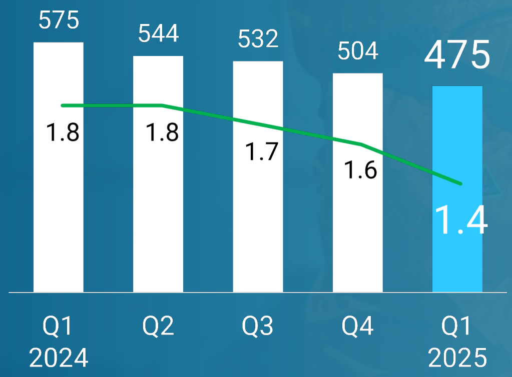


DIVIDEND ($)

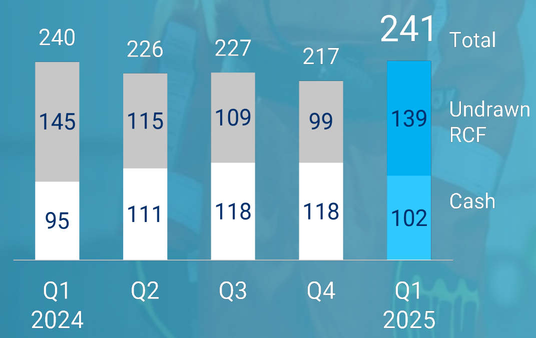


EQUITY RATIO

NET DEBT ($m) & LEVERAGE RATIO



LIQUIDITY ($m)



Q1 Highlights

HIGHER DAY RATES RESULTING IN RECORD EBITDA

- Q1 Revenue of USD 204 million
- Q1 EBITDA of USD 100 million
- Q1 Net Profit of USD 31 million
- 96% Financial Utilisation

DIVIDEND INCREASED AGAIN

- Dividend increased to 16 cents per share from 12.5 cents per share
- Total Q1 dividend of USD 38.4 million
- Well placed to continue to increase shareholder distributions with fleet moving to continually higher day rates

EXCELLENT PROGRESS ON SPS PROGRAMMES; THREE DOWN, ONE TO GO

- Post period, Deepsea Stavanger SPS completed on budget and ahead of schedule, resulting in 9 days of net off hire time
- Deepsea Nordkapp planned maintenance completed in 6 days of off hire time
- Deepsea Aberdeen SPS scheduled to begin in late May / early June

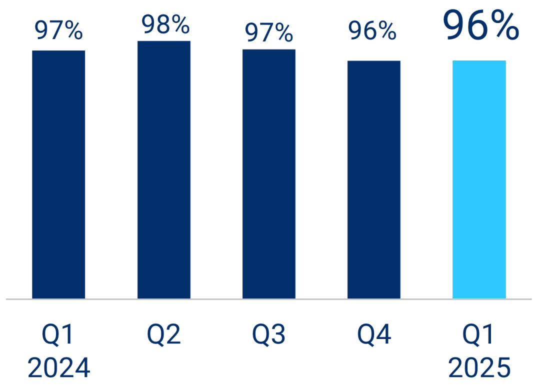
NEW CONTRACT AWARD AGREED DURING PERIOD

- Extension of existing contract on Deepsea Atlantic by nearly twelve months
- Total order backlog of USD 1.8 billion of firm contracts
  - USD 0.1 billion from priced options

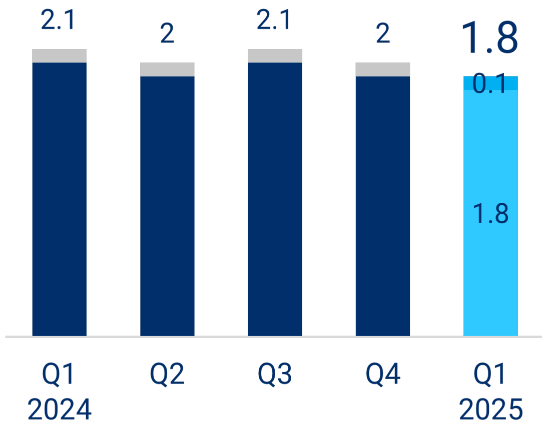
BALANCE SHEET AND LIQUIDITY REMAIN STRONG

- Leverage ratio of 1.4x
- Equity Ratio of 64%
- Available liquidity of USD 241 million

Own Fleet Financial Utilisation



Backlog ($bn)



Kjetil Gjersdal, Odfjell Drilling AS CEO, commented:

"Drilling in harsh environments during the winter months always presents challenges for businesses such as ours, however we are pleased to report that we have met those challenges, and are once again announcing a quarter of strong operations and progress across our business.

"During the quarter, we maintained our focus on strong operations as well as on the upcoming SPS, upgrades and maintenance programmes across our fleet. Operationally, we performed well, achieving a financial utilisation of 96% whilst also completing both the planned maintenance on Deepsea Nordkapp and the SPS on Deepsea Stavanger in Q2, the latter of which resulted in just 9 days of net off-hire time.

"Strong operations lead to positive results, and this quarter is no different. For the first time since the Odfjell Technology spin off in March 2022, the Group achieved an EBITDA of above USD 100 million. With even higher day rate contracts secured ahead of us, we are pleased to increase our dividend again for Q1 2025, and we remain confident in our capability to continue to increase distributions."

Q1 Dividend Details

- Announced currency: USD
- Dividend amount: 0.16 USD / share
- Payment amount: USD 38.4 million
- Last day including right: 2 June 2025
- Ex-Dividend date: 3 June 2025
- Record date: 4 June 2025
- Payment date: 12 June 2025

The dividend has been declared in USD with actual NOK payments per share to be determined based on the Norges Bank exchange rate at the last day including rights.

Key figures for the Group

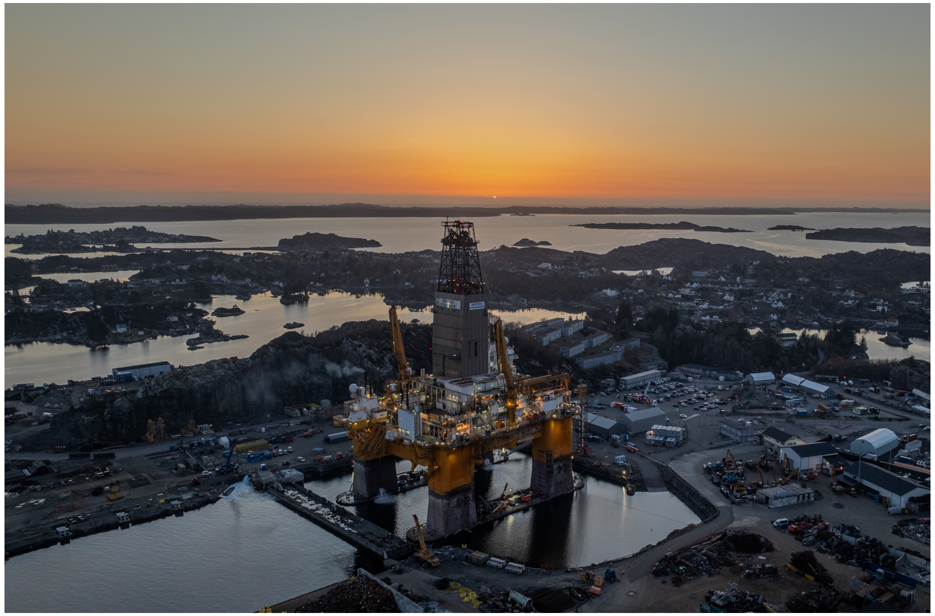
All figures in USD million	Q1 25	Q1 24	FY 24
Operating revenue	204	194	775
EBITDA	100	85	345
EBIT	55	37	150
Net profit	31	14	65
EBITDA margin	49%	44%	45%
Total assets	2,193	2,236	2,215
Net interest bearing debt	475	575	504
Equity	1,413	1,387	1,403
Equity ratio	64%	62%	63%

A Very Good Start

Busy As Always

During the quarter, the Odfjell Drilling own fleet was active across the Norwegian Continental Shelf (NCS), working on a variety of different projects. Despite continued rough weather creating challenging conditions for the Group’s crews offshore, the fleet was able to achieve a financial utilisation of 96%.

The Deepsea Atlantic and Deepsea Stavanger were on contract with Equinor during Q1. The Deepsea Atlantic worked on a variety of exploration and appraisal wells and achieved a financial utilisation of 91.3% having experienced some operational challenges. The Deepsea Stavanger also completed conventional wells, but in addition drilled Carbon Storage wells, which were a pilot test as part of the wider Smeaheia CCS project. The Deepsea Stavanger finished the period with a financial utilisation of 98.8%.



The Deepsea Aberdeen continued with Equinor on the Breidablikk field during Q1, achieving a financial utilisation of 99.1% during Q1.

The Deepsea Nordkapp continued to work with Aker BP on exploration and appraisal projects, at a higher day rate than previous quarters, and recorded a financial utilisation of 93% due to planned maintenance taking place during the quarter.

During Q1, in the Group’s external fleet, the Deepsea Yantai was operating in Norway for DNO and ConocoPhilips, whilst Deepsea Mira was operating in Namibia for Total. The Deepsea Bollsta was mobilising to Norway from Namibia through much of Q1, returning to Hanøytangen in early May. The Deepsea Bollsta has now, post-period, completed its Acknowledgement of Compliance (AOC). The Hercules remained warm stacked in Norway throughout the quarter.

Three Down, One to Go

During Q1, significant planning went into the scheduling of the Group's planned maintenance and upgrade programmes. These programmes included maintenance on Deepsea Nordkapp, the AOC process for Deepsea Bollsta, and the SPS’s for both the Deepsea Stavanger and Deepsea Aberdeen.

Beginning with the Deepsea Nordkapp in the final days of March, the Group was able to successfully replace two of the unit's thrusters, as well as implementing other upgrades across the vessel. This resulted in just six days of off hire time, well within budget and time.

After this, post-period, the Group began and successfully completed the 15 year SPS for Deepsea Stavanger. This included dry-docking the unit and general upgrades across the vessel to increase the variable deck load capacity of the rig, as it prepares for the 5-year project at Yggdrassil for Aker-BP. The SPS was highly successful, resulting in nine days of net off hire time, ahead of schedule and in line with budget.

The Group now has just one remaining SPS to complete in its own fleet, for Deepsea Aberdeen, which is planned to be completed in Q2 2025. With the completion of the SPS on Deepsea Aberdeen, the Group’s next own fleet SPS will be for Deepsea Nordkapp in December 2028.

Dividend Increased, Again

Given the Group’s strong financial position and outlook the Board has decided to again increase the quarterly dividend from 12.5 cents to 16 cents per share, equivalent to a total distribution of USD 38.4 million.

With the expected significant increase in free cash flow, the Company is confident that it will be well positioned to continue to increase shareholder returns.

Change to Executive Management Team

As announced, Frode Syslak has decided to step down from his role as Chief Financial Officer and will be succeeded as CFO by Ørjan Lunde. Frode Syslak will remain at the Company in a different position, with Ørjan Lunde assuming the CFO role on 1 June 2025.

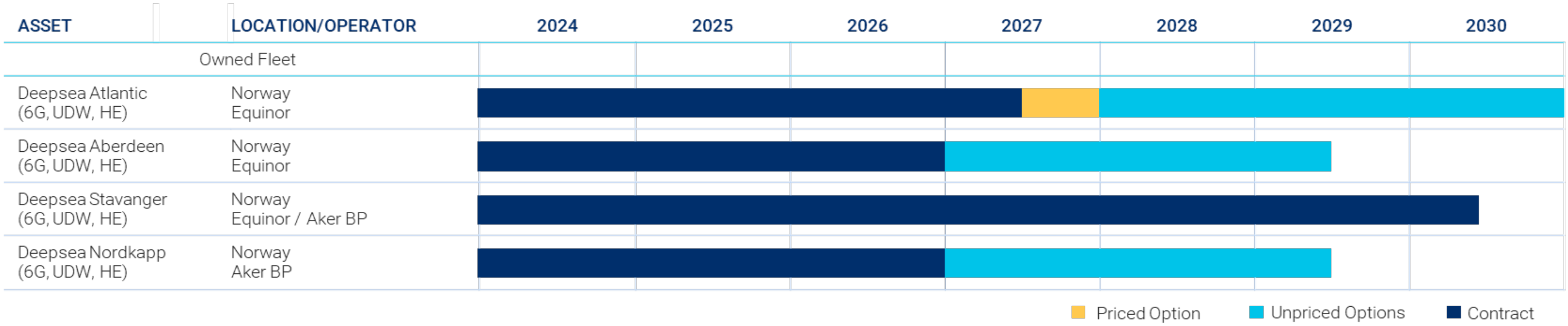
Outlook

Well Placed to Meet Demand

The Group began Q1 2025 with a contract extension on Deepsea Atlantic, which achieved leading edge day rates plus incentives. This resulted in the Group's own fleet being fully booked until at least 2027, with the Deepsea Stavanger secured until early Q2 2030. The Group's own fleet contracting strategy has therefore shifted focus to work in 2027 and 2028, where the Group continues to see good demand for its services. Specifically, in Norway, demand remains solid, with tenders still outstanding and clients also expressing a direct interest in the use of our units. Odfjell Drilling maintains its market leading position in the harsh environment market, given our proven efficiency and uptime records.

Internationally, there are expressions of interest for short-term work in West Africa, with longer term work expected to increase in line with the development of offshore Namibia and Mozambique. Recent positive exploration discoveries highlight the potential of both basins as a drivers of demand going forward. Other regions such as Canada, Australia, UK and the Falkland Islands also present opportunities for our own fleet and managed units.

As per previous quarters, the Group maintains its view that the supply of tier 1 harsh-environment semi-submersibles will likely decrease. With no newbuilds expected in the near future and some existing units anticipated to be scrapped, the market is expected to remain well-balanced, supporting strong day rates.



Segments

Own Fleet

All figures in USD million	Q1 25	Q1 24	FY 24
Operating revenue	163	151	599
EBITDA	95	81	325
EBIT	50	34	134
EBITDA margin	58%	54%	54%

(Figures for last comparable period in brackets)

Q1 2025

Operating revenue for the Own Fleet segment in Q1 2025 was USD 163 million (USD 151 million). This was mainly driven by higher revenue for Deepsea Nordkapp (USD 6 million), due to rate uplift in the new contract with Aker BP, partly offset by the planned yard-stay, and Deepsea Stavanger (USD 4 million), due to rate uplift and higher utilisation. Deepsea Aberdeen increased revenue by USD 1 million. The rig earned high rates on the Svalin wells during Q1 2024, which was matched by the rate uplift during Q1 2025. Deepsea Atlantic increased revenue by USD 1 million driven by a rate uplift, which was partly offset by lower utilisation and no bonus during Q1 2025.

EBITDA for the Own Fleet segment in Q1 2025 was USD 95 million (USD 81 million), driven by increased EBITDA for Deepsea Nordkapp (USD 6 million), Deepsea Stavanger (USD 5 million), Deepsea Aberdeen (USD 1 million) and Deepsea Atlantic (USD 1 million).

Own Fleet - Financial Utilisation

The financial utilisation for Odfjell Drilling's fully owned mobile offshore drilling units was as follows:

	Q1 25	Q1 24	FY 24
Deepsea Stavanger	98.8 %	96.3 %	96.8 %
Deepsea Atlantic	91.3 %	98.3 %	98.1 %
Deepsea Aberdeen	99.1 %	93.4 %	96.5 %
Deepsea Nordkapp	93.0 %	99.4 %	96.1 %

- Deepsea Stavanger, Deepsea Atlantic and Deepsea Aberdeen have been operating for Equinor on the NCS during 2025.
- Deepsea Nordkapp has been operating for Aker BP on the NCS during 2025. The low utilisation on Deepsea Nordkapp in Q1 25 is due to the planned yard-stay, while the low utilisation on Deepsea Atlantic is driven by two BOP incidents in January.

External Fleet

All figures in USD million	Q1 25	Q1 24	FY 24
Operating revenue	40	42	174
EBITDA	7	6	29
EBIT	7	6	29
EBITDA margin	18%	16%	17%

(Figures for last comparable period in brackets)

Q1 2025

Operating revenue for the External Fleet was USD 40 million (USD 42 million). The main driver of the decrease is Hercules (USD 5 million), which has been idle in Ølen during Q1. The decrease has been partly offset by Deepsea Mira (USD 2 million) and Deepsea Bollsta (USD 2 million).

EBITDA for the External Fleet in Q1 2025 was USD 7 million (USD 6 million). The main driver is Deepsea Yantai (USD 1 million) due to increased management fee and higher incentives, and Deepsea Mira (USD 1 million) due to higher incentives. The increase is offset by Hercules (USD 1 million).

Consolidated Group financials

(Comparable figures for same period in prior year in brackets)

Profit Q1 2025

Operating revenue for Q1 2025 was USD 204 million (USD 194 million), an increase of USD 10 million, mainly due to increased revenue in the Own Fleet segment.

EBITDA in Q1 2025 was USD 100 million (USD 85 million), an increase of USD 15 million, mainly due to increased EBITDA in the Own Fleet segment. The EBITDA margin in Q1 2025 was 49% (44%).

Net financial expenses in Q1 2025 amounted to USD 19 million (USD 20 million), a decrease of USD 1 million. There was a USD 3 million decrease in interest expenses and a USD 5 million positive variance in change in fair value of derivatives, offset by a USD 6 million negative variance in net currency gains and losses.

Income tax cost in Q1 2025 was USD 5 million (USD 3 million).

Net profit in Q1 2025 was USD 31 million (USD 14 million), an increase of USD 17 million.

Cash flow Q1 2025

Net cash flow from operating activities in Q1 2025 was USD 94 million (USD 63 million). This includes net paid interest of USD 6 million (USD 7 million) and paid income taxes of USD 3 million (USD 4 million).

Net cash outflow from investing activities in Q1 2025 was USD 27 million (USD 27 million). The cash outflows are mainly related to purchases of fixed assets.

Net cash outflow from financing activities in Q1 2025 was USD 86 million (USD 69 million). The Group repaid the USD 45 million on the Odfjell Invest Revolving Credit Facility (RCF) and paid USD 11 million in instalments on other facilities and leases. A dividend of USD 30 million was paid to the shareholders in Q1 2025.

Balance sheet

Total assets as at 31 March 2025 amounted to USD 2,193 million (USD 2,215 million at 31 December 2024), a decrease of USD 22 million.

Total equity as at 31 March 2025 amounted to USD 1,413 million (USD 1,403 million at 31 December 2024), an increase of USD 10 million.

Net interest bearing debt as at 31 March 2025 amounted to USD 475 million (USD 504 million at 31 December 2024), a decrease of USD 29 million.

At 31 March 2025, cash amounted to USD 102 million (USD 118 million at 31 December 2024), a decrease of USD 16 million. In addition, the Group has available undrawn facilities of USD 139 million, taking the available liquidity to USD 241 million.

Sustainability

Environment

Deepsea Stavanger together with our client Equinor, spudded the second CO_2 appraisal wells in the Smeaheia project on the Norwegian Continental Shelf. The primary objective of this well is to gather crucial information and data to enhance the understanding of the Smeaheia reservoir. This data will contribute to planning future CCS wells. Additionally, the scope of work includes an injection test of the reservoir to assess its suitability for CO_2 storage.

Emissions from our fleet are activity dependent and can vary significantly from quarter to quarter and year to year, even without or despite implementing emission-reducing measures. Rig emissions are related to our drilling activity, including both production and exploration wells.

E1-6 Carbon accounting

See the GHG accounting methodology statement in the 2024 Annual Report. Emissions are presented in Tonnes Carbon Dioxide Equivalent ("tCO2e") unless stated otherwise.

As of the first quarter of 2025, the Group has included two additional Scope 3 categories in the quarterly reporting: purchased goods and services (category 1) and capital goods (category 2). For FY24, the previously reported emissions for these categories have been recalculated due to a revised methodology.

Scope 1 CO2e emissions in Q1 2025 was 506 tCO2e (0 tCO2e) with Deepsea Nordkapp off contract during yard stay.

Scope 3 CO2e emissions for category 7, employee commuting, in Q1 2025 was 1,710 tCO2e (2,636 tCO2e). YTD 2025 compared to YTD 2024 have decreased due to fewer international operations.

Scope 3 CO2e emissions for category 13, downstream leased assets, in Q1 amounted to 37,436 tCO2e (38,577 tCO2e). The decrease in Q1 2025 compared to Q1 2024 is due to the increase in Scope 1 emissions related to the Deepsea Nordkapp yardstay.

Social

S1-9 Taking action on material impacts on own workforce

The Women in Drilling network hosted a management workshop built on the momentum from the successful event held in 2024, which brought together female employees from both onshore and offshore. The day featured interactive workshops covering key topics such as culture, leadership, and work environment. The event underscored the company's commitment to increasing the number of women in the Group through ambitious goals and clear policies.

S1-13 Training and skills development

In collaboration with Vestland Higher Vocational College, Odfjell Drilling has developed and introduced a two-day dynamic-positioning simulator training program aimed at enhancing the skills and preparedness practicing emergency scenarios.

Odfjell Drilling has developed a two-day classroom course on Barrier Management through an internal cross-disciplinary project. The course aims to equip employees with essential knowledge of barriers, their practical application, and how they help prevent major accidents during daily offshore and onshore operations. To date, 670 employees have completed the training, which is held weekly.

Following an internal evaluation, Odfjell Drilling launched an interactive eLearning course to strengthen environmental awareness among employees. The course covers key environmental impacts of oil and gas operations and measures to reduce them. It is mandatory for offshore and selected onshore roles, with over 700 employees having completed it to date.

S1-14 Taking action on material impacts on own workforce

In the first quarter, as part of the Always Safe annual initiative, the learning package focused on Avoiding Major Accidents. The aim is to prevent major accidents through more comprehensive risk understanding and barrier management and good control when planning and carrying out work on equipment with major accident potential.

Governance

Cyber security

Odfjell Drilling has taken steps to strengthen its Cyber Security capabilities, with Deepsea Stavanger joining Deepsea Aberdeen in receiving the DNV Cyber Secure class notation. The initiatives support the protection of operational technology, information technology, and overall safety management systems against cyber risks.

ESRS 2 - Sustainability assurance

Odfjell Drilling completed its first limited assurance of the annual sustainability statement in accordance with the European Sustainability Reporting Standard.

Sustainability Key Figures

Enviromental Matters and Data Points	Q1 25	Q1 24	FY 24
E1 – CLIMATE CHANGE (REPORTED IN $tCO2_e$) [1]			
Scope 1 GHG Emissions [2]	506	-	995
Scope 2 GHG emissions (market based)[3]	157	161	446
Scope 2 GHG Emissions (location based)[3]	2	2	7
Significant scope 3 GHG emissions	60,334	64,076	245,827
• Category 1 Purchased goods and services [4]	9,706	9,166	34,835
• Category 2 Capital goods [4]	10,947	13,031	59,310
• Category 4 Upstream transportation and distribution [4]	192	332	788
• Category 6 Business travelling [5]	343	334	1003
• Category 7 Employee commuting [6]	1,710	2,636	8,532
• Category 13 Downstream leased assets [7]	37,436	38,577	141,359
Total GHG emissions [8]	**60,099**	**64,239**	**247,275**
E2 - POLLUTION			
NOx Emissions (tonnes) [9]	7	-	31.0
Significant spills to sea [10]	-	-	-

Enviromental Data - Notes and Definitions

1 *E1 – Climate Change: see GHG accounting methodology statement in the 2024 Annual Report.*

2 *Scope 1: owned fleet off contract.*

3 *Scope 2: business premise Bergen office.*

4 *FY24 recalculated based on revised methodology.*

5 *Scope 3 category 6: business travel for onshore employees.*

6 *Scope 3 category 7: employee commuting for offshore crew, owned and external fleet.*

7 *Scope 3 category 13: owned fleet on contract.*

8 *Total GHG emissions includes scope 1, scope 2 and scope 3 category 1, 2, 4, 6,7 and 13.*

9 *NO_x emissions are defined as reportable NOx emisions to the Norwegian authorities.*

10 *Spills are defined as the number of serious uncontrolled spills to sea.*

Social Matters and Data Points	31.03.2025	31.03.2024
S1 - OWN WORKFORCE		
Number of Employees	1,613	1,547
Employee Turnover Rate - Year to date	2%	3%
Female in leadership positions	24%	24%
Sick leave - Year to date	3.6 %	3.6%
S1-14 HEALTH AND SAFETY		
Lost time incident frequency*	0.8	0.4
Total recordable incident frequency TRIF*	2.5	2.0
Dropped Objects frequency*	2.5	3.3

**as per 1 million working hours, 12 months rolling*

Governance Matters and Data Points	Q1 25	FY 24
G1-3 BUSINESS CONDUCT		
Reported wistleblowing cases - confirmed incident of corruption and bribery	-	-

Risks and uncertainties

Forward-looking statements and estimates in this report reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and may not be within our control. In the Group's view, factors that could cause actual results to differ materially from the outlook contained in this report include but are not limited to the following: volatile oil and gas prices, global political changes regarding energy composition, competition within the oil and gas services industry, changes in clients' spending budgets, cost inflation, access to qualified resources and developments in the financial and fiscal markets. Furthermore, as Odfjell Drilling's fully owned fleet consists of four units, any operational downtime, increased capex requirements or any failure to secure employment at satisfactory rates will affect the Group's results relatively more than for a group with a larger fleet. In order to avoid operational downtime with potential impact on the Group's results, and to secure long term order backlog, Odfjell Drilling has invested significant time and efforts to maintain a safe, predictable and profitable performance.

Odfjell Drilling has a strong backlog and a robust balance sheet with low leverage.

The Group has a continuous focus on cost reductions, efficiency improvement programmes and capital discipline, in order to maintain its competitiveness.

London, United Kingdom

15 May 2025

Board of Directors of Odfjell Drilling Ltd.

Simen Lieungh, Chair	Helene Odfjell, Director	Harald Thorstein, Director	Knut Hatleskog, Director	Alasdair Shiach, Director

Condensed Consolidated Financial Statements

Condensed Consolidated Income Statement

USD million	Note	Q1 25	Q1 24	FY 24
OPERATING REVENUE	2, 3	**203.9**	**193.6**	**775.1**
Other gains and losses		-	0.8	0.6
Personnel expenses		(68.6)	(70.7)	(283.3)
Other operating expenses		(35.3)	(38.2)	(146.9)
EBITDA		**100.0**	**85.5**	**345.4**
Depreciation, amortisation and impairment	5, 6	(45.3)	(48.1)	(195.0)
OPERATING PROFIT (EBIT)		**54.8**	**37.4**	**150.5**
Net financial expenses	4	(18.7)	(20.3)	(72.0)
Profit before taxes		**36.0**	**17.1**	**78.5**
Income tax expense		(5.3)	(3.3)	(13.8)
NET PROFIT		**30.7**	**13.8**	**64.7**
Profit attributable to:				
Owners of the parent		30.7	13.8	64.7
Earnings per share (USD)				
Basic earnings per share	13	0.13	0.06	0.27
Diluted earnings per share	13	0.13	0.06	0.27

Condensed Consolidated Statement of Comprehensive Income

USD million	Q1 25	Q1 24	FY 24
NET PROFIT	**30.7**	**13.8**	**64.7**
Items that will not be reclassified to profit or loss:			
Remeasurements of post employment benefit obligations (net of tax)	-	-	(0.1)
Items that are or may be reclassified to profit or loss:			
Cash flow hedges (net of tax)	2.1	(1.7)	(4.0)
Currency translation differences	6.7	(4.8)	(10.4)
OTHER COMPREHENSIVE INCOME, NET OF TAX	**8.8**	**(6.5)**	**(14.5)**
TOTAL COMPREHENSIVE INCOME	**39.5**	**7.3**	**50.3**
Total comprehensive income attributable to:			
Owners of the parent	39.5	7.3	50.3

Condensed Consolidated Statement of Financial Position

USD million	Note	31.03.2025	31.03.2024	31.12.2024
ASSETS				
Property, plant and equipment	5	1,916.5	1,975.7	1,932.3
Intangible assets	6	2.8	2.8	2.6
Deferred tax asset		2.8	8.0	6.7
Non-current receivable	11	29.2	28.5	27.1
Other non-current assets	9	0.0	0.0	0.2
TOTAL NON-CURRENT ASSETS		**1,951.4**	**2,015.0**	**1,968.8**
Trade receivables		112.1	100.7	106.9
Other current assets		27.5	25.3	21.1
Cash and cash equivalents		102.4	94.8	118.1
TOTAL CURRENT ASSETS		**242.0**	**220.7**	**246.1**
TOTAL ASSETS		**2,193.4**	**2,235.7**	**2,214.9**

USD million	Note	31.03.2025	31.03.2024	31.12.2024
EQUITY AND LIABILITIES				
Paid-in capital	12	386.2	370.2	386.2
Other equity		1,026.6	1,017.1	1,017.0
TOTAL EQUITY		**1,412.8**	**1,387.2**	**1,403.1**
Non-current interest-bearing borrowings	7	488.8	565.1	527.3
Non-current lease liabilities	8	27.7	33.7	27.6
Other non-current liabilities		1.3	0.9	0.7
TOTAL NON-CURRENT LIABILITIES		**517.8**	**599.8**	**555.7**
Current interest-bearing borrowings	7	88.2	104.9	95.0
Current lease liabilities	8	15.7	20.0	15.7
Trade payables		39.2	37.4	35.5
Other current liabilities		119.7	86.5	109.9
TOTAL CURRENT LIABILITIES		**262.8**	**248.8**	**256.1**
TOTAL LIABILITIES		**780.6**	**848.5**	**811.8**
TOTAL EQUITY AND LIABILITIES		**2,193.4**	**2,235.7**	**2,214.9**

Condensed Consolidated Statement of Changes in Equity

USD million	Note	Paid-in capital	Other equity	Total equity
Balance at 1 January 2024		**370.2**	**1,023.9**	**1,394.0**
Profit for the period		-	13.8	13.8
Other comprehensive income for the period		-	(6.5)	(6.5)
Total comprehensive income for the period		**-**	**7.3**	**7.3**
Dividends paid		-	(14.2)	(14.2)
Cost of share-based option plan		-	0.1	0.1
Transactions with owners		**-**	**(14.1)**	**(14.1)**
BALANCE AT 31 MARCH 2024		**370.2**	**1,017.1**	**1,387.2**
Total comprehensive income for the period Q2 - Q4		-	43.0	43.0
Transactions with owners for the period Q2 - Q4		16.0	(43.1)	(27.1)
BALANCE AT 31 DECEMBER 2024		**386.2**	**1,017.0**	**1,403.1**
Profit for the period		-	30.7	30.7
Other comprehensive income for the period		-	8.8	8.8
Total comprehensive income for the period		**-**	**39.5**	**39.5**
Dividends paid	12	-	(30.0)	(30.0)
Cost of share-based option plan		-	0.1	0.1
Transactions with owners		**-**	**(29.9)**	**(29.9)**
BALANCE AT 31 MARCH 2025		**386.2**	**1,026.6**	**1,412.8**

Condensed Consolidated Statement of Cash Flows

USD million	Note	Q1 25	Q1 24	FY 24
CASH FLOWS FROM OPERATING ACTIVITIES:				
Profit before tax		36.0	17.1	78.5
Adjustment for interest, provisions and non-cash elements		63.6	65.7	262.3
Changes in working capital		4.1	(8.2)	15.2
Cash generated from operations		**103.7**	**74.6**	**356.0**
Net interest paid		(5.9)	(6.9)	(59.9)
Net income tax paid		(3.5)	(4.5)	(8.4)
NET CASH FLOW FROM OPERATING ACTIVITIES		**94.4**	**63.2**	**287.7**
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of property, plant and equipment		(26.9)	(26.6)	(132.0)
Proceeds from sale of property, plant and equipment		-	0.0	0.0
Other investing activities		-	-	1.7
NET CASH FLOW FROM INVESTING ACTIVITIES		**(26.9)**	**(26.6)**	**(130.3)**
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from borrowings		-	15.0	91.7
Repayment of borrowings	7	(53.0)	(65.6)	(182.1)
Repayment of lease liabilities	8	(3.2)	(4.3)	(16.1)
Proceeds from issuing shares		-	-	0.0
Dividends paid	12	(30.0)	(14.2)	(57.2)
NET CASH FLOW FROM FINANCING ACTIVITIES		**(86.2)**	**(69.1)**	**(163.7)**
Effects of exchange rate changes on cash and cash equivalents		3.1	(2.1)	(4.8)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(15.7)**	**(34.4)**	**(11.1)**
Cash and cash equivalents at beginning of period		118.1	129.2	129.2
CASH AND CASH EQUIVALENTS AT PERIOD END		**102.4**	**94.8**	**118.1**

Note 1 Accounting Principles

General information

Odfjell Drilling Ltd. ('the Company') and its subsidiaries (together 'the Group') own and operate mobile offshore drilling units.

Odfjell Drilling Ltd., is incorporated in Bermuda with its registered address at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda and is tax resident in the United Kingdom with its head office at Prime View, Prime Four Business Park, Kingswells, Aberdeen, AB15 8PU.

These condensed interim financial statements were approved by the Board of Directors on 15 May 2025 and have not been audited.

Basis for preparation

These condensed interim financial statements for the three months period ended 31 March 2025 have been prepared in accordance with IAS 34, 'Interim financial reporting'. These condensed consolidated interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual report for the year ended 31 December 2024.

Accounting principles

The accounting principles adopted are consistent with those of the previous financial year.

Use of estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. These estimates are based on the actual underlying business, its present and forecast profitability over time, and expectations about external factors such as interest rates, foreign exchange rates, and other factors which are outside the Group's control. The resulting estimates will, by definition, seldom equal the related actual results.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

There will always be uncertainty related to judgement and assumptions related to accounting estimates.

Note 2 Operating and geograpic segment information

Operating segments are reported in a manner consistent with the internal financial reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board.

The Group provides drilling and related services to oil and gas companies. The Group owned four drilling units during 2024 and 2025 with similar services, revenues, customers and production processes. Own drilling units (Own Fleet) is therefore assessed as one reporting segment. The same applies for rig management services provided to other owners of other drilling units (External Fleet).

Own Fleet

The segment operates drilling units owned by Odfjell Drilling.

External Fleet

The segment offers management services to other owners of drilling units; mainly operational management, management of regulatory requirements, marketing, contract negotiations and client relations, preparations for operation and mobilisation.

	Own Fleet			External Fleet			Corporate / other			Consolidated		
USD million	Q1 25	Q1 24	FY 24	Q1 25	Q1 24	FY 24	Q1 25	Q1 24	FY 24	Q1 25	Q1 24	FY 24
External segment revenue	163.1	151.1	598.6	40.0	41.7	173.5	0.8	0.7	2.9	203.9	193.6	775.1
Inter segment revenue	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	**163.1**	**151.1**	**598.6**	**40.0**	**41.7**	**173.5**	**0.8**	**0.7**	**2.9**	**203.9**	**193.6**	**775.1**
EBITDA	**94.6**	**81.0**	**325.3**	**7.2**	**6.5**	**29.1**	**(1.7)**	**(2.0)**	**(8.9)**	**100.0**	**85.5**	**345.4**
Depreciation, amortisation and impairment	(44.4)	(47.2)	(191.5)	-	-	-	(0.8)	(0.9)	(3.5)	(45.3)	(48.1)	(195.0)
EBIT	**50.1**	**33.7**	**133.8**	**7.2**	**6.5**	**29.1**	**(2.5)**	**(2.9)**	**(12.4)**	**54.8**	**37.4**	**150.5**
Net financial expenses										(18.7)	(20.3)	(72.0)
PROFIT BEFORE TAX - CONSOLIDATED GROUP										**36.0**	**17.1**	**78.5**

Disaggregation of revenue - Primary geographical markets

	Own Fleet			External Fleet			Corporate / Other			Consolidated		
USD million	Q1 25	Q1 24	FY 24	Q1 25	Q1 24	FY 24	Q1 25	Q1 24	FY 24	Q1 25	Q1 24	FY 24
Norway	163.1	151.1	598.6	24.6	11.9	55.9	0.8	0.7	2.9	188.5	163.7	657.4
Namibia	-	-	-	15.4	29.9	72.0	-	-	-	15.4	29.9	72.0
Ghana	-	-	-	-	-	20.0	-	-	-	-	-	20.0
Congo	-	-	-	-	-	18.4	-	-	-	-	-	18.4
Canada	-	-	-	-	-	7.2	-	-	-	-	-	7.2
TOTAL OPERATING REVENUE	**163.1**	**151.1**	**598.6**	**40.0**	**41.7**	**173.5**	**0.8**	**0.7**	**2.9**	**203.9**	**193.6**	**775.1**

Note 3 Revenue

USD million	Q1 25	Q1 24	FY 24
Revenue from contracts with customers	115.0	121.9	480.5
Lease component in Own Fleet contracts	88.8	71.6	294.3
Other operating revenue	0.1	0.0	0.2
OPERATING REVENUE	**203.9**	**193.6**	**775.1**

Note 4 Net financial expenses

USD million	Note	Q1 25	Q1 24	FY 24
Interest income		1.0	1.7	5.5
Interest expense lease liabilities	8	(0.7)	(1.1)	(3.6)
Other interest expenses		(13.3)	(16.4)	(61.3)
Other borrowing expenses		(0.6)	(0.5)	(2.5)
Change in fair value of derivatives*		-	(5.2)	(11.7)
Net currency gain / (loss)		(5.0)	1.4	1.6
Other financial items		(0.1)	(0.1)	0.1
NET FINANCIAL EXPENSES		**(18.7)**	**(20.3)**	**(72.0)**

** Change in value of market-based derivatives mainly relates to change in fair value of warrant liabilities*

Note 5 Property, plant and equipment

USD million	Mobile drilling units	Periodic maintenance	Other fixed assets	Right-of-use assets	Total fixed assets
Net book value as at 1 January 2025	1,771.7	118.0	1.3	41.2	1,932.3
Additions	12.8	14.5	0.0	0.3	27.6
Disposals	-	-	(0.0)	-	(0.0)
Depreciation	(29.6)	(12.1)	(0.1)	(3.5)	(45.3)
Currency translation differences	-	-	0.1	1.8	1.9
NET BOOK VALUE AS AT 31 MARCH 2025	**1,754.9**	**120.4**	**1.3**	**39.9**	**1,916.5**

Impairment test for property, plant and equipment

Assets are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds the recoverable amount. Odfjell Drilling has not identified any impairment indicators as at 31 March 2025.

Note 6 Intangible assets

USD million	Goodwill	Total intangible assets
Net book value as at 1 January 2025	2.6	2.6
Currency translation differences	0.2	0.2
NET BOOK VALUE AS AT 31 MARCH 2025	**2.8**	**2.8**

Impairment test for goodwill

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. Odfjell Drilling has not identified any impairment indicators as at 31 March 2025.

Note 7 Interest-bearing borrowings

USD million	31.03.2025	31.03.2024	31.12.2024
Non-current	488.8	565.1	527.3
Current	88.2	104.9	95.0
TOTAL	**577.0**	**670.0**	**622.3**

The Odfjell Invest Revolving Credit Facility (RCF)

In Q1 2025, the USD 45 million that was drawn and outstanding on the Odfjell Invest Revolving Credit Facility (RCF) at 31 December 2024, has been fully repaid.

Movements in the interest-bearing borrowings are analysed as follows:

USD million	Non-current	Current	Total
Carrying amount as at 1 January 2025	527.3	95.0	622.3
CASH FLOWS:			**-**
Repayment borrowings	(30.0)	(23.0)	(53.0)
NON-CASH FLOWS:			
Reclassified from / (to) current borrowings	(9.0)	9.0	-
Change in transaction cost, unamortised	0.6	-	0.6
Change in accrued interest cost	-	7.2	7.2
CARRYING AMOUNT AS AT 31 MARCH 2025	**488.8**	**88.2**	**577.0**

Repayment schedule for interest-bearing borrowings

USD million	31.03.2025	31.03.2024	31.12.2024
Within 3 months	28.0	32.3	23.0
Between 3 and 6 months	9.0	12.3	28.0
Between 6 and 9 months	29.0	32.3	9.0
Between 9 months and 1 year	9.0	12.3	29.0
Between 1 and 2 years	80.5	92.3	76.2
Between 2 and 3 years	136.2	93.3	93.3
Between 3 and 4 years	278.4	151.2	321.9
Between 4 and 5 years	-	237.1	42.8
TOTAL CONTRACTUAL AMOUNTS	**570.2**	**663.0**	**623.3**

The table above analyses Odfjell Drilling's financial liabilities into relevant maturity groupings based on the remaining payments due at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual cash flows.

Available drawing facilities

Odfjell Drilling had USD 139 million available on the RCF facility as per 31 March 2025.

Covenants

Odfjell Drilling is compliant with all financial covenants as at 31 March 2025.

Note 8 Leases

The Right-of-use assets are included in the line item "Property, plant and equipment" in the balance sheet, refer to Note 5.

Lease liabilities:

USD million	31.03.2025	31.03.2024	31.12.2024
Non-current	27.7	33.7	27.6
Current	15.7	20.0	15.7
TOTAL	**43.5**	**53.8**	**43.4**

Movements in lease liabilities are analysed as follows:

USD million	Non-current	Current	Total
Carrying amount as at 1 January 2025	27.6	15.7	43.4
CASH FLOWS:			
Payments for the principal portion of the lease liability	-	(3.2)	(3.2)
Payments for the interest portion of the lease liability	-	(0.8)	(0.8)
NON-CASH FLOWS:			
New lease liabilities recognised in the year	0.3	-	0.3
Interest expense on lease liabilities	0.7	-	0.7
Reclassified to current portion of lease liabilities	(3.1)	3.1	-
Currency exchange differences	2.2	0.8	3.0
CARRYING AMOUNT AS AT 31 MARCH 2025	**27.7**	**15.7**	**43.5**

Note 9 Financial assets and liabilities

Valuation techniques used to derive Level 2 fair values

Level 2 derivatives held at fair value through profit or loss and hedging derivatives, comprise interest rate swaps and foreign exchange agreements. Interest rate swaps and foreign exchange agreements are fair valued using forward rates extracted from observable yield curves. Interest rate swaps and foreign exchange agreements are recognised according to mark-to-market reports from external financial institutions.

The Odfjell Drilling Group had the following financial instruments at each reporting period

USD million	Level	31.03.2025	31.03.2024	31.12.2024
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
Derivatives designated as hedging instruments				
Interest rate swaps (Non-current assets)	2	0.0	0.0	0.2
Foreign exchange forward contracts (Current assets)	2	1.0	-	-
Investment in bonds	2	-	1.6	-
OTHER FINANCIAL ASSETS				
Trade and other current receivables		122.9	106.1	115.5
Cash and cash equivalents		102.4	94.8	118.1
TOTAL FINANCIAL ASSETS		**226.4**	**202.5**	**233.8**

USD million	Level	31.03.2025	31.03.2024	31.12.2024
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS				
Derivatives not designated as hedging instruments				
Foreign exchange forward contracts (Current liabilities)	2	-	0.4	-
Derivatives designated as hedging instruments				
Interest rate instruments (Non-current liabilities)	2	0.8	0.2	0.2
Foreign exchange forward contracts (Current liabilities)	2	2.2	1.5	4.1
Warrant liabilities (Current liabilities)	3	-	9.0	-
OTHER FINANCIAL LIABILITIES				
Non-current interest-bearing borrowings		488.8	565.1	527.3
Current interest-bearing borrowings		88.2	104.9	95.0
Non-current lease liabilities		27.7	33.7	27.6
Current lease liabilities		15.7	20.0	15.7
Trade and other payables		133.9	66.7	68.3
TOTAL FINANCIAL LIABILITIES		**757.3**	**801.6**	**738.3**

The fair value of financial assets and liabilities at amortised cost is not materially different from their carrying amount.

Note 10 Commitments

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

USD million	31.03.2025	31.03.2024	31.12.2024
Rig investments	51.6	50.1	27.1
TOTAL	**51.6**	**50.1**	**27.1**

The major part of committed capital expenditure as at 31 March 2025 is expected to be paid in the next 12 months.

Note 11 Contingencies

Letter of indemnity and related receivable

Refer to Note 27 in the Annual Report 2024 for information about the letter of indemnity issued to Odfjell Technology Ltd regarding the Odfjell Offshore Ltd (OFO) tax case, and the NOK 307 million upfront payment in 2023. OFO appealed the administrative tax ruling to Hordaland District Court, which was litigated at the beginning of December 2024. The court issued a judgment on 23 January 2025 in favour of the Norwegian Tax Authorities. The judgment has been further appealed to Gulating Court of Appeal.

The Group is still of the opinion that the most likely outcome of a court case is that the anti-avoidance rule should not be applicable and the denial of the tax loss should be revoked.

As stated above the Group's best judgement is that the tax case will be won by OFO. The Group has therefore not recognised a provision for the contingent indemnification liability. Consequently, the Group has recognised the upfront payment made in 2023 as a non-current receivable that will be repaid if the legal appeal prevails.

There are no other material contingencies to be disclosed as per 31 March 2025.

Note 12 Share information and dividend

	No. of shares	Nominal value	Share capital - USD thousands
Common shares issued as at 1 January 2025	239,807,088	0.01	2,398
COMMON SHARES ISSUED AS AT 31 MARCH 2025	**239,807,088**		**2,398**
TOTAL SHARE CAPITAL			**2,398**

Other information

Authorised, not issued common shares was 60,192,912 as at 31 March 2025. All issued shares are fully paid.

The Group has not acquired any of its own shares in 2025, and no shares are held by entities in the Group.

Dividend payments

12 February 2025, the Board of Directors approved a dividend distribution of USD 0.125 per share, equal to USD 30 million, which was paid in March 2025.

Note 13 Earnings per share

The Company has a share option plan for common shares, of which 1,730,000 are outstandig as at 31 March 2025, see Note 32 in the Annual report 2024 for further information.

USD million	Q1 25	Q1 24	FY 24
Profit due to owners of the parent	30.7	13.8	64.7
Adjustment related to warrants and share option plan	-	-	
Diluted profit for the period due to owners of the parent	**30.7**	**13.8**	**64.7**

	Q1 25	Q1 24	FY 24
Weighted average number of common shares in issue	239,807,088	236,783,202	238,552,674
Effects of dilutive potential common shares:			
• Warrants	n/a	1,474,255	n/a
• Share option plan	879,082	478,607	691,146
Diluted average number of shares outstanding	**240,686,170**	**238,736,064**	**239,243,820**

	Q1 25	Q1 24	FY 24
Earnings per share - total			
Basic earnings per share (USD)	0.13	0.06	0.27
Diluted earnings per share (USD)	0.13	0.06	0.27

Note 14 Related-party transactions and balances

The Group had the following material transactions with related parties:

USD million	Relation	Q1 25	Q1 24	FY 24
Companies within the Odfjell Technology Ltd. Group	Related to main shareholder	0.8	0.8	3.1
Odfjell Oceanwind AS	Related to main shareholder	0.1	0.1	0.2
Odfjell Land AS	Related to main shareholder	0.1	0.0	0.2
TOTAL SALES OF SERVICES TO RELATED PARTIES		**1.0**	**0.9**	**3.5**

The revenues are related to administration services and are included in "Corporate/Other" column in the segment reporting.

USD million	Relation	Q1 25	Q1 24	FY 24
Companies within the Odfjell Technology Ltd. Group	Related to main shareholder	15.8	12.1	53.4
Odfjell Oceanwind AS	Related to main shareholder	-	0.0	0.0
TOTAL PURCHASES FROM RELATED PARTIES		**15.8**	**12.1**	**53.4**

Purchases consist of services and rentals, as well as global business services, provided by well services, engineering and technology companies within the Odfjell Technology Group. All transactions have been carried out as part of the ordinary operations. Amounts listed in the table above do not include payment for rentals considered as leases, see table below.

Lease agreements with related parties

USD million			31.03.2025	Q1 25
Related party	Relation	Type of asset	Lease liability	Payments
Odfjell Land AS	Related to main shareholder	Properties	23.1	1.1
Companies within the Odfjell Technology Ltd. Group	Related to main shareholder	Mooring and drilling equipment	19.1	2.8
TOTAL			**42.3**	**3.9**

Non-current receivable

Refer to Note 11 for information regarding the non-current receivable towards Odfjell Technology Ltd.

Current receivables and liabilities

As a part of the day-to-day running of the business, Odfjell Drilling have the following current receivables and liabilities towards companies in the Odfjell Technology Ltd. Group (the discontinued operations). All receivables and liabilities have less than one year maturity.

USD million	31.03.2025	31.03.2024	31.12.2024
Trade receivables	0.3	0.3	0.3
Other current receivables	3.6	-	3.5
Trade payables	(5.3)	(2.9)	(4.4)
Other current payables	(2.7)	(1.6)	(3.9)
NET CURRENT PAYABLES RELATED PARTIES	**(4.2)**	**(4.1)**	**(4.5)**

Shareholdings by related parties

Helene Odfjell (Director), controls Odfjell Partners Holding Ltd, which owns 49.85% of the common shares in the Company as per 31 March 2025.

Simen Lieungh (Director) owns 20,000 shares (0.01%), Kjetil Gjersdal (CEO of Odfjell Drilling AS) and his close associate owns 42,450 shares (0.02%), while Frode Syslak (CFO of Odfjell Drilling AS) owns 25,000 shares (0.01%) in the Company as per 31 March 2025.

Note 15 Events after the reporting period

15 May 2025, the Board of Directors approved a dividend distribution of USD 0.16 per share, equal to approximately USD 38 million, with payment in June 2025.

There have been no other events after the balance sheet date with material effect on the interim financial statements ended 31 March 2025.

Appendix 1: Definitions of alternative performance measures

Contract backlog

The Group's fair estimation of basis revenue in firm contracts and relevant priced options (which are at clients discretion) for Own Fleet measured in USD - subject to variations in currency exchange rates.

The calculation does not include performance bonuses or fuel incentives.

The backlog is calculated based on estimated duration of wells or contracted number of days. Backlog does not provide a precise indication of the time period over which the Group is contractually entitled to receive such revenues and there is no assurance that such revenue will actually be realised in full.

EBIT

Earnings before taxes, interest and other financial items. Equal to Operating profit.

EBIT margin

EBIT/Operating revenue.

EBITDA

Earnings before depreciation, amortisation and impairment, taxes, interest and other financial items.

EBITDA margin

EBITDA/Operating revenue.

Equity ratio

Total equity/total equity and liabilities.

Financial utilisation

Financial utilisation is measured on a monthly basis and comprises the actual recognised revenue for all hours in a month, expressed as a percentage of the full day rate for all hours in a month. Financial utilisation is only measured for periods on charter. The calculation does not include any recognised incentive payments.

Net interest-bearing debt

Non-current interest-bearing borrowings plus current interest-bearing borrowings less cash and cash equivalents. Interest-bearing borrowings do not include lease liabilities.

Net profit (loss)

Equal to profit (loss) for the period after taxes.

Leverage ratio

		31.03.2025	
Non-current interest-bearing borrowings	USD	488.8	million
Current interest-bearing borrowings	USD	88.2	million
Non-current lease liabilities	USD	27.7	million
Current lease liabilities	USD	15.7	million
Adjustment for real estate lease liabilities	USD	(24.3)	million
A Adjusted financial indebtedness	**USD**	**596.2**	**million**
Cash and cash equivalents	USD	102.4	million
Adjustment for restricted cash and other cash not readily available	USD	(10.8)	million
B Adjusted cash and cash equivalents	**USD**	**91.6**	**million**
A-B=C Adjusted Net interest-bearing debt	**USD**	**504.6**	**million**
EBITDA last 12 months	USD	360.0	million
Adjustment for effects of real estate leases	USD	(4.8)	million
D Adjusted EBITDA	**USD**	**355.2**	**million**
C/D=E LEVERAGE RATIO		**1.4**	

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