CREDIT OPINION

2 December 2024

Update

Send Your Feedback

RATINGS

Odfjell Drilling Ltd.

Domicile	Bermuda
Long Term Rating	B2
Type	LT Corporate Family Ratings
Outlook	Positive

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

Maria Chiara Caviggioli +44.20.7772.5481
AVP-Analyst
mariachiara.caviggioli@moodys.com

Richard Etheridge +44.20.7772.1035
Associate Managing Director
richard.etheridge@moodys.com

Dasa Patrikejeva +44.20.7772.8767
Ratings Associate
dasa.patrikejeva@moodys.com

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

Odfjell Drilling Ltd.

Key credit metrics improving on the back of good medium-term contract visibility

Summary

We view Odfjell Drilling Ltd (ODL)'s credit quality as strongly positioned within the B2 rating category, in anticipation of continued improvement in key credit metrics by the end of 2025.

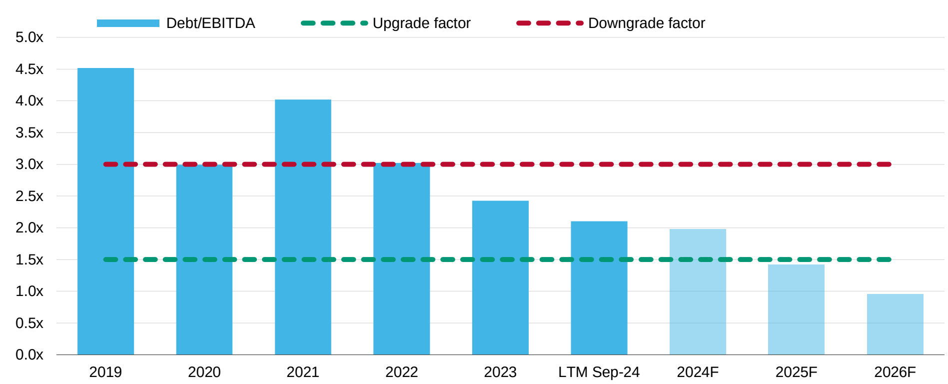
The company's firm backlog of $1.9 billion at 30 September 2024 implies high capacity utilisation at rising day rates, underpinning good earnings and operating cashflow visibility through to 2026. Capital expenditure will remain broadly in line with 2024 levels and shareholder remuneration will substantially rise in 2025. Nevertheless, ODL's free cash flow (FCF, Moody's-adjusted) generation and cash availabilities shall suffice to meet scheduled debt amortisation. This will reduce Moody's-adjusted gross leverage to 1.5x by the end of 2025, the level we had previous said could lead to upward rating pressure.

ODL's credit quality continues to reflect the company's: established position as an offshore driller with a long operational track record; high-quality fleet with customer-acknowledged competitive advantages; good liquidity; exclusive focus on drilling services that entails dependence on customers' investment appetite, notably that of Equinor ASA (Equinor, Aa2 stable) and Aker BP ASA (Aker BP, Baa2 stable).

Exhibit 1

ODL's leverage will improve towards 1.5x in the next 12 months

Moody's adjusted Debt/EBITDA



All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Periods are financial year-end unless indicated. LTM = Last 12 months.
Moody's forecasts are Moody's opinion and do not represent the views of the issuer.
Source: Moody's Financial Metrics™ and Moody's Ratings forecasts

Credit strengths

- Established presence in Norway and long-standing relationships with Equinor and Aker BP
- High-quality fleet with harsh environment alongside deep and ultra-deep water capabilities
- Sustained positive earnings and cashflow generation through recent industry downturns
- History of conservative financial policies
- Strong financial metrics and good liquidity

Credit challenges

- Exposure to volatile oil and gas upstream spending
- Small fleet, both in absolute terms and relative to peers, resulting in high customer and geographic concentration
- Narrow focus on niche harsh environment offshore drilling activities
- Re-contracting risk, particularly on managed units
- Outflows for capital expenditure and dividends still relatively high in 2025

Rating outlook

The positive outlook reflects our expectation that ODL's key credit metrics will strengthen to levels commensurate with a higher rating in the next 12-18 months through rising earnings and cashflows, meaningful deleveraging and disciplined financial policies.

Factors that could lead to an upgrade

ODL's ratings could be upgraded if the company:

- Achieves larger scale as well as longer duration of contracts in a healthy industry environment
- Sustains a track record of strong profitability at least in line with current levels and
- Maintains a strong balance sheet with leverage trending towards 1.5x, sustained strong positive FCF generation and prudent shareholder distributions

Factors that could lead to a downgrade

Conversely, ODL's ratings would be downgraded if the company's:

- Earnings and backlog deteriorate materially, leading to gross leverage sustainedly in excess of 3.0x and EBITDA / Interest expense falls below 3x
- FCF generation turns negative, as a result of weaker operating performance or more aggressive than currently anticipated financial policies or
- Liquidity weakens

Key indicators

Exhibit 2
Key Indicators
Odfjell Drilling Ltd.

(in $ millions)	2019	2020	2021	2022	2023	LTM Sep-24	2024F	2025F	2026F
EBITDA	320	422	271	302	320	332	336	390	464
Total Assets	2,678	2,640	2,515	2,219	2,309	2,233	2,226	2,141	2,010
EBIT Margin %	16.4%	23.4%	20.9%	20.0%	18.3%	19.2%	19.0%	24.6%	30.7%
EBITDA / Interest Expense	3.6x	6.3x	5.4x	6.1x	4.7x	4.9x	5.8x	8.1x	12.2x
Debt / EBITDA	4.5x	3.0x	4.0x	3.0x	2.4x	2.1x	2.0x	1.4x	1.0x
FCF / Debt	-16.8%	17.8%	13.2%	20.6%	19.0%	13.0%	11.1%	18.0%	26.5%
EBITDA Margin %	38.8%	45.4%	47.3%	46.4%	43.7%	43.5%	43.8%	48.0%	52.0%

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Periods are financial year-end unless indicated. LTM = Last 12 months.
Moody's forecasts are Moody's opinion and do not represent the views of the issuer.
Source: Moody's Financial Metrics™ and Moody's Ratings forecasts

Profile

ODL provides offshore contract drilling services to the oil and gas industry. The company operates a modern fleet of eight 6th-generation semi-submersibles (four owned, four under management) with harsh environment capabilities and an average age of 9.5 years. ODL generated revenue of $763 million and Moody's-adjusted EBITDA of $336 million in the last twelve months ended 30 September 2024 (LTM September 2024).

Founded in 1973, ODL is 49.85% owned by Odfjell Partners Holding LTD. while the rest is free float listed on the Oslo Stock Exchange. As of 25 November 2024, ODL had a market capitalisation of $1.1 billion equivalent.

Detailed credit consideration

Established position in Norway; small scale mitigated by good customer base and resilient utilisation rates

ODL's fleet is evenly split between four owned units and four rigs that the company manages on behalf of third parties. All rigs are modern 6th generation semi-submersibles with harsh environment capabilities: while they are typically deployed in deepwater environment, they are technologically advanced to cater for select work in both shallow and ultra-deep water depths. ODL's fleet also meets the stringent regulatory and technical requirements needed to operate on the Norwegian Continental Shelf (NCS), which create barriers to entry and favoured the company's establishment of a strong local operational footprint.

ODL's fleet is smaller and less diversified by rig type than that of Noble Finance II LLC (Ba3 stable), Nabors Industries Ltd. (B1 stable), Seadrill Limited (B1 stable) and Valaris Limited (B1 stable). As a result, ODL's backlog exhibits a high degree of customer and geographic concentration. That said, our credit assessment also considers that:

» the deepwater drilling market consists of a few dozen large, generally very well capitalised upstream customers while the number of rig providers is considerably smaller. Though ODL and most of its major competitors actively seek business from all operators, concentration among a few key customers is typically hard to avoid;

» key customers Equinor and Aker BP are Norway's top two largest hydrocarbon producers with rich pipelines of projects on the stable and resilient NCS basin. This provides a wide opportunity for ODL to secure new work, also given the company's long-standing relationships with both customers. Successful outcomes of recent hydrocarbon exploration campaigns offshore Namibia (B1 positive) also bode well for future growth and operational diversification outside of Norway;

» coupled with the company's ability to secure work through the cycle, the small fleet size prevented ODL from stacking rigs during recent market downturns. Very high rig utilisation rates supported ODL's consistent strong earnings and cash flow generation over the past few years;

» the company significantly increased the number of rigs under management in 2022. The fixed management fee that ODL receives per managed unit is significantly lower than the day-rates earned on owned rigs, thus rigs under management do not meaningfully diversify ODL's earnings and cash flows. That said, they add to ODL's operational track record and customer awareness beyond the NCS.

NCS upstream spending and tight rig supply support ODL's healthy backlog

Global offshore exploration, development and project sanction activities should remain stable through 2025 based on our view that oil supply will expand modestly and oil prices will be lower on average than in 2024, declining to the higher end of our medium-term price range of $55-$75/barrel (bbl).

The offshore drilling industry, particularly the floater market, has tightened considerably since 2021 following a protracted cyclical downturn since 2014. The industry is more consolidated now after many rigs were scrapped or cold stacked over the past decade. Rig companies are showing better capital and supply discipline with no plans to undertake newbuild projects in the foreseeable future. Day-rates and global rig utilisation should also benefit from the increased global focus on energy security and the lower carbon footprint of deepwater drilling.

Specifically to Norway, we expect demand for drilling services to remain robust on account of significant sanctioning of projects supported by the country's stable and favourable tax regime for exploration and development activities. Of the 24 semi-submersibles currently capable to operate on the NCS, around 10-11 units are contracted for work outside of North Sea, constraining further the supply and support higher day-rates for incumbent drillers like ODL.

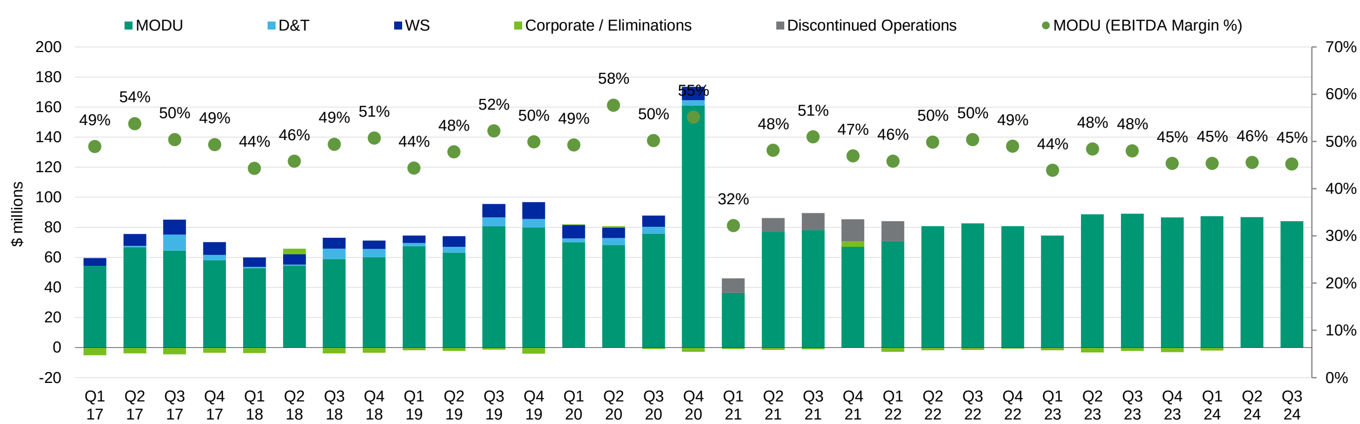
However, because of ODL's more limited contractual protection beyond 2026-27, rig demand and day-rates need to remain healthy for the company to recontract at current market or higher rates, maintain high fleet utilisation and fully achieve its reinvestment and return objectives.

Strong operational track record and improving credit metrics

All owned units have been operating almost seamlessly on both short and long term contracts since delivery, with minimal time spent out of contracts and average utilisation of 97%-99% through the cycle. As a result, the company generated positive EBITDA and free cash flow (FCF, Moody's-defined) notwithstanding the prolonged industry downturn of 2014 and the sharp oil price correction of early 2020 (see Exhibit 4). The absence of idle time during industry downturns also reflected in healthy average EBIT and EBITDA margins (both Moody's-adjusted) on a historical basis.

Exhibit 3

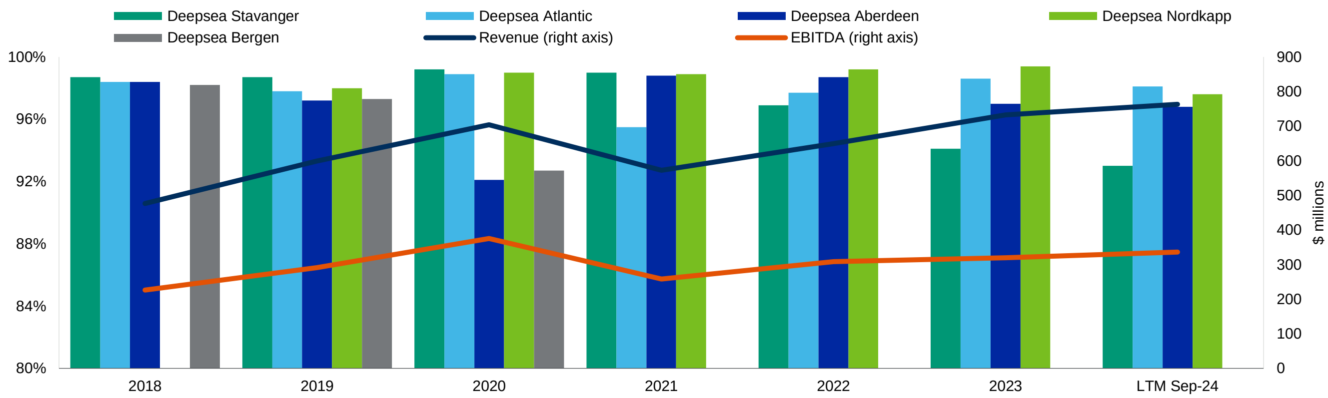
ODL's units operated almost seamlessly over the past five years, generating positive EBITDA
Quarterly evolution of reported EBITDA, split by reporting segment



*MODU: Mobile Offshore Drilling Units.
*D&T: Drilling & Technology (disposed in 2022).
*WS: Well Services (disposed in 2022).
Source: Company filings

Revenue through the LTM September 2024 increased steadily to $763 million from $572 million in 2021 due to fleet expansion, higher volume of work and rising day-rates (inclusive of performance bonuses). Similarly, Moody's-adjusted EBITDA grew to $336 million in the LTM September 2024 from $271 million in 2021. Moody's-adjusted EBIT margin remained stable at around 20% in the period, reflecting a larger proportion of work carried out by managed units and higher corporate costs.

Exhibit 4
Evolution of own fleet's financial utilisation, revenue and EBITDA



Periods are financial year-end unless indicated.
FY2018-FY2020 revenue and EBITDA represents numbers reported under MODU segment.
Deepsea Bergen was decomissioned in March 2020.
Source: Company filings

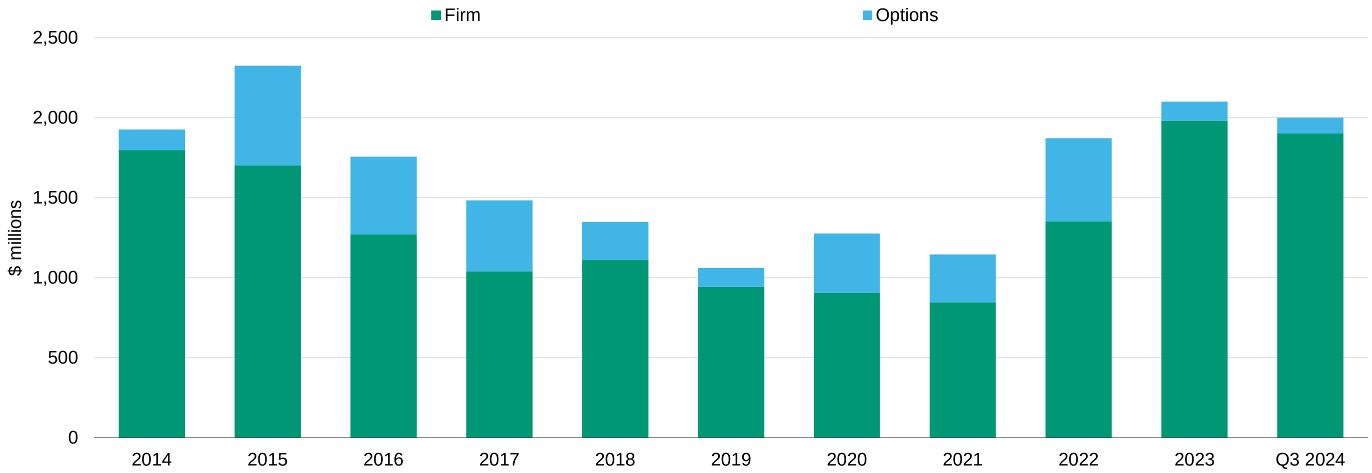
ODL's cash conversion has historically been strong due to limited cash consumption. Interest payments and capital expenditure for maintenance, special periodic surveys (SPS) [1] and equipment upgrades historically represented the main outflows. ODL generated $91 million of FCF through the LTM September 2024, moderately down recent historical levels on account of higher capital expenditure and dividend payments initiated in September 2023.

Strong EBITDA and scheduled debt amortisation drove ODL's gross leverage down to 2.1x at the end of September 2024 from 4.0x in 2021. Interest cover (measured as EBITDA / interest expense) modestly weakened to 4.9x (2021: 5.4x), though this is largely a function of the comparatively higher interest rate environment of 2023 within which ODL fully refinanced its capital structure.

Earnings uplift and scheduled debt amortisation support meaningful de-leveraging by year-end 2025

ODL's backlog sharply increased to $2.0 billion as at 30 September 2024 from $1.1 billion as year-end 2021. $1.9 billion of the company's order book is firm, thus supporting good visibility into earnings and cash flow generation through mid-2026 at least.

Exhibit 5
ODL's backlog has almost doubled compared to end of 2021 and shows a larger portion of firm work



Periods are financial year-end unless indicated.
Source: Company filings

ODL's owned rigs are all firmly contracted well into 2026. The Deepsea Stavanger is working on a multi-year contract with Aker BP through early 2030, but current contracts on all other units can be extended to mid-late 2029 subject to mutual agreement on day-rates and duration between ODL and its customers.

Notably, not only do ODL's customers need to constantly reinvest to maintain or grow production volumes, they also need to prioritise projects with low break-even costs. This entails an element of spending resilience should hydrocarbon prices fall, thus mitigating ODL's exposure to potential contract cancellations.

The limited near-term re-contracting risk on owned units over the next 18 months favours good visibility on revenue and earnings. We expect revenue and EBITDA to continue on a positive trajectory and exceed $800 million and $400 million, respectively, by year-end 2025.

Robust profitability will result in positive FCF generation of around $60 million in 2024 and $110-115 million in 2025. The temporary dip from 2023 levels is due to peak capital spending of $145 million in 2024 and $130 million in 2025 (Moody's-adjusted, including leases) along with rising dividends in 2025. ODL will temporarily rely on modest drawings under its revolving credit facilities to cover its funding needs in 2024, including $91 million of scheduled debt amortisation. Moody's-adjusted gross leverage will thus remain around 2.0x at year-end 2024 before declining to 1.5x by year-end 2025 through earnings growth and debt reduction. Similarly, interest cover shall increase to 8.0x in 2025 from around 5.5x in 2024.

Track record of abiding by conservative financial policies

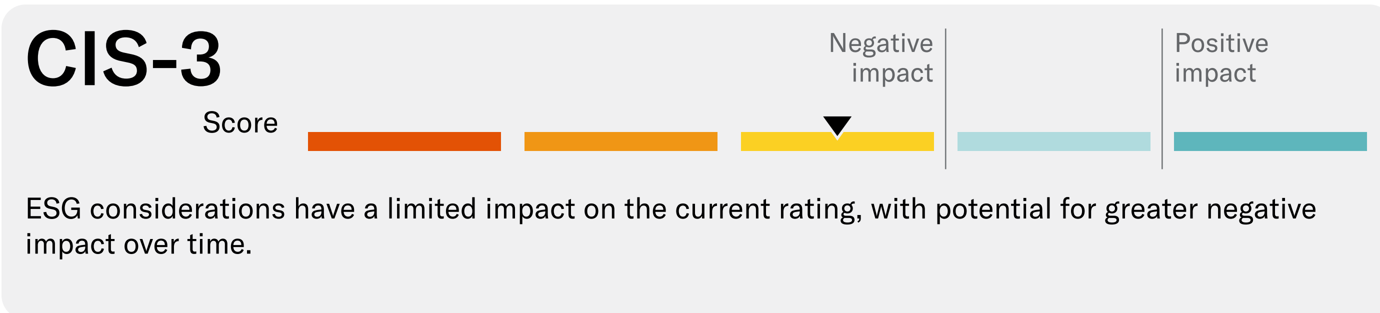
Our credit assessment factors in ODL's conservative financial policy along with a strong track record of abiding by it. Our qualitative score of Ba reflects historic evidence of the company's (i) prioritisation of balance sheet strength over shareholder remuneration; (ii) prudent funding of newbuilds' acquisitions and (iii) maintenance of cash balances well in excess of the business requirements. As a result, ODL's reported net leverage tracked consistently below 4.0x since 2017.

ODL has so far refrained from increasing dividend payouts of around $58 million on an annualised basis, prioritising the de-risking of peak capital expenditure for rig customisation and special periodic surveys in 2024. While we expect shareholder returns to increase materially in the next 12 months, we do not foresee a significant detrimental impact on credit quality. This is because projected robust free cash flow generation will be sufficient to support deleveraging through 2026.

ESG considerations

Odfjell Drilling Ltd.'s ESG credit impact score is CIS-3

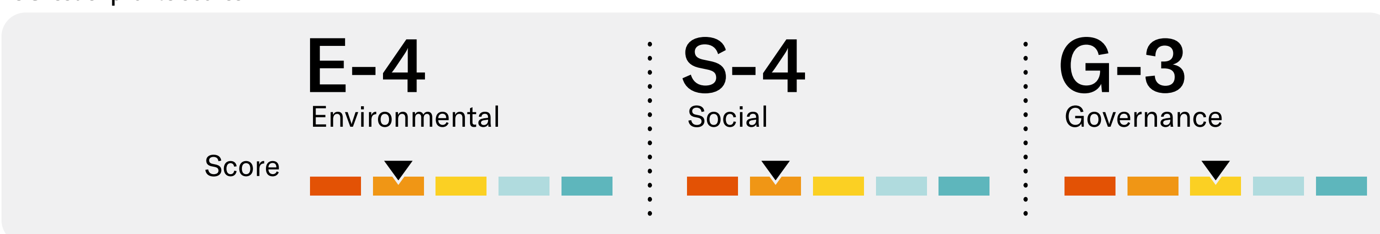
Exhibit 6
ESG credit impact score



Source: Moody's Ratings

ODL has a Credit Impact Score of 3 (**CIS-3**). This indicates that ESG considerations have a limited impact on the current credit rating with potential for greater negative impact over time driven by risks arising from carbon transition, demographic & societal trends and health & safety concerns. Governance considerations reflect the company's conservative financial policies and track record of abiding by the latter, as well as an ownership structure where descendants of the company's founder own around 50% of ODL's equity.

Exhibit 7
ESG issuer profile scores



Source: Moody's Ratings

Environmental

E-4. ODL faces high exposure to carbon transition, given that its earnings are entirely generated from oil and gas customers. Moreover, given the high breakeven costs for offshore exploration and production, the company is more susceptible to carbon transition risk than the land based OFS companies. ODL faces moderate exposure to physical climate risk stemming from its assets' location in harsh environments. Other environmental risks are moderate as they are largely indemnified by their producer customers.

Social

S-4. Similar to most oilfield services companies, ODL faces significant social risks which are mainly driven by increasing demographic & societal pressures to reduce hydrocarbon production alongside health & safety concerns. Growing public concern around climate change, including air and water quality could lead to stricter future regulations and/or higher costs for hydrocarbon producers, thus limiting demand for oilfield services. The company's has low to moderate exposure to other social risk factors such as human capital, customer relations, and responsible production.

Governance

ODL's **G-3** score reflects the company's conservative financial policies, credible track record and adequate liquidity position, alongside a concentrated ownership structure with one major shareholder holding just below 50% of ODL's capital and a somewhat complex organizational structure that is typical of drilling services companies but entails significant related-party transactions.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Liquidity analysis

ODL's liquidity is good. Our assessment reflects:

» positive FCF generation over the next 12-18 months, despite still relatively high capital expenditure and rising dividends in 2025

» some reliance on the $150 million revolving credit facility due February 2028

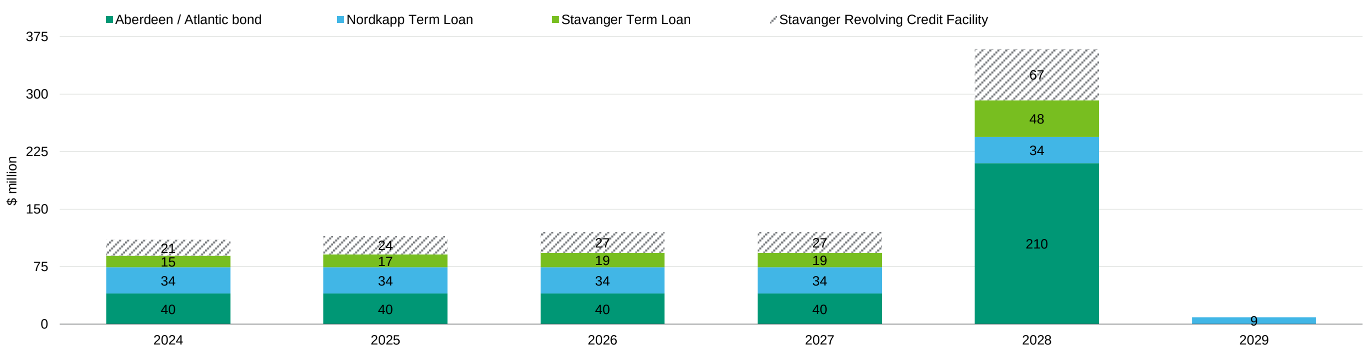
» good headroom under financial covenants including maintenance of (i) unrestricted cash balances above $50 million; (ii) equity to total assets above 30% and (iii) current assets to current liabilities (excluding those related to financial debt) above 1x

» absence of meaningful source of alternate liquidity, because all owned assets are pledged as security to existing debt facilities.

Exhibit 8

Debt maturity profile

After the repayment of Samsung seller credit in January 2024



Periods are financial year-end unless indicated.
*Revolving Credit Facility represent amortisation of committed amounts.
Source: Company filings

Structural considerations

The B2 instrument rating of the $390 million senior secured notes[2] issued by ODL's indirectly wholly-owned subsidiary Odfjell Rig III Ltd. is in line with ODL's CFR. This reflects the notes' first lien claim on the assets of ODL's subsidiaries that own and operate the Deepsea Aberdeen and the Deepsea Atlantic semi-submersibles and pari passu ranking with other separate obligations of the issuer secured by the Deepsea Stavanger and Deepsea Nordkapp rigs. The B2 instrument rating also reflects the absence of material claims ranking behind the company's secured obligations.

Rating methodology and scorecard factors

The principal methodology used in assigning the rating to ODL was Oilfield Services. The B2 rating assigned is three notches below the scorecard indicated outcome and reflects ODL's small fleet size, still relatively high capex in 2025 and some uncertainty on the magnitude of future dividend payments.

Exhibit 9

Rating factors

Odfjell Drilling Ltd.

Energy Oilfield Services Industry Scorecard	Current LTM Sep-24		Moody's 12-18 month forward view	
Factor 1 : Scale (20%)	**Measure**	**Score**	**Measure**	**Score**
a) EBITDA ($ millions)	331.8	B	350 - 400	B
b) Assets ($ billions)	2.2	B	2.1 - 2.2	B
Factor 2 : Business Profile (30%)				
a) Business Profile	B	B	B	B
Factor 3 : Profitability and Efficiency (10%)				
a) EBIT Margin	19.2%	Baa	20% - 25%	A
Factor 4 : Leverage and Coverage (20%)				
a) EBITDA / Interest	4.9x	Ba	5.5x - 7.5x	Ba
b) Debt / EBITDA	2.1x	Baa	1.5x - 2x	A
Factor 5 : Financial Policy (20%)				
a) Financial Policy	Ba	Ba	Ba	Ba
Rating:				
a) Scorecard-Indicated Outcome		Ba3		Ba2
b) Actual Rating Assigned				B2

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Periods are financial year-end unless indicated. LTM = Last 12 months.
Moody's forecasts are Moody's opinion and do not represent the views of the issuer.
Source: Moody's Financial Metrics™ and Moody's Ratings forecasts

Appendix

Exhibit 10

Peer Comparison

Odfjell Drilling Ltd.

	Odfjell Drilling Ltd. B2 Positive			Noble Finance LLC Ba3 Stable			Valaris Limited B1 Stable			Transocean Inc. B3 Stable			Vantage Drilling International B3 Stable		
(in $ millions)	FY Dec-22	FY Dec-23	LTM Sep-24	FY Dec-22	FY Dec-23	LTM Sep-24	FY Dec-22	FY Dec-23	LTM Sep-24	FY Dec-22	FY Dec-23	LTM Sep-24	FY Dec-22	FY Dec-23	LTM Sep-24
Revenue	650	733	763	1,408	2,482	2,719	1,603	1,784	2,262	2,575	2,832	3,313	279	383	269
EBITDA	302	320	332	379	785	875	178	250	472	852	767	976	19	72	41
Total Assets	2,219	2,309	2,233	5,235	5,507	8,035	2,860	4,317	4,328	20,363	20,215	19,471	579	562	559
Total Debt	911	775	698	726	618	2,116	719	1,291	1,307	7,981	7,969	7,516	181	191	217
Cash & Cash Equivalents	149	119	105	476	361	392	724	621	379	683	762	435	74	73	51
EBIT margin %	20.0%	18.3%	19.2%	16.3%	19.1%	18.2%	4.7%	7.3%	15.0%	-0.2%	-1.2%	6.5%	-9.6%	7.3%	-1.7%
EBIT / Assets	5.9%	5.8%	6.6%	4.4%	8.6%	6.2%	2.6%	3.0%	7.8%	0.0%	-0.2%	1.1%	-4.6%	5.0%	-0.8%
EBITDA / Interest Expense	6.1x	4.7x	4.9x	8.1x	12.8x	12.0x	2.9x	2.7x	4.5x	1.3x	1.1x	3.0x	0.6x	3.3x	1.8x
Debt / EBITDA	3.0x	2.4x	2.1x	1.9x	0.8x	2.4x	4.0x	5.2x	2.8x	9.4x	10.4x	7.7x	9.4x	2.6x	5.3x

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
LTM = Last 12 months.
*Rated entity Noble Finance II LLC, financials under Noble Corporation plc.
Source: Moody's Financial Metrics™

Exhibit 11

Moody's-adjusted debt reconciliation

Odfjell Drilling Ltd.

(in $ millions)	2019	2020	2021	2022	2023	LTM Sep-24
As reported debt	**1,437.1**	**1,256.1**	**1,082.5**	**910.7**	**774.6**	**697.4**
Pensions	7.7	6.9	6.0	0.6	0.7	0.7
Moody's-adjusted debt	**1,444.8**	**1,263.0**	**1,088.5**	**911.3**	**775.3**	**698.1**

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Periods are financial year-end unless indicated.
Source: Moody's Financial Metrics™

Exhibit 12

Moody's-adjusted EBITDA reconciliation

Odfjell Drilling Ltd.

(in $ millions)	2019	2020	2021	2022	2023	LTM Sep-24
As reported EBITDA	**320.8**	**421.4**	**270.6**	**315.3**	**319.8**	**331.8**
Pensions	0.4	0.4	0.1	-	-	-
Unusual Items	(1.3)	-	-	(13.7)	-	-
Moody's-adjusted EBITDA	**319.8**	**421.9**	**270.7**	**301.6**	**319.8**	**331.8**

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Periods are financial year-end unless indicated.
Source: Moody's Financial Metrics™

Exhibit 13

Key credit metrics

Odfjell Drilling Ltd.

(in $ millions)	2019	2020	2021	2022	2023	LTM Sep-24	2024F	2025F	2026F
INCOME STATEMENT									
Revenue	823	930	572	650	733	763	767	813	893
EBITDA	320	422	271	302	320	332	336	390	464
EBIT	135	218	119	130	134	147	146	200	274
Interest Expense	89	67	50	50	67	67	58	48	38
BALANCE SHEET									
Cash & Cash Equivalents	140	193	159	149	119	105	99	88	93
Total Debt	1,445	1,263	1,089	911	775	698	665	555	444
Net Debt	1,305	1,070	930	763	656	593	565	467	352
CASH FLOW									
Funds from Operations (FFO)	239	347	255	279	262	272	271	327	401
Cash Flow From Operations (CFO)	192	349	257	275	265	269	274	316	390
Capital Expenditures	(431)	(120)	(109)	(85)	(89)	(120)	(122)	(110)	(40)
Dividends	(4)	(4)	(4)	(2)	(28)	(57)	(56)	(84)	(210)
Retained Cash Flow (RCF)	235	343	251	276	233	215	215	243	191
RCF / Debt	16.3%	27.2%	23.1%	30.3%	30.1%	30.8%	32.3%	43.7%	43.0%
Free Cash Flow (FCF)	(243)	225	144	188	147	91	74	100	118
FCF / Debt	-16.8%	17.8%	13.2%	20.6%	19.0%	13.0%	11.1%	18.0%	26.5%
PROFITABILITY									
% Change in Sales (YoY)		12.9%	-38.5%	13.5%	12.8%	7.9%	0.5%	6.0%	9.9%
EBIT margin %	16.4%	23.4%	20.9%	20.0%	18.3%	19.2%	19.0%	24.6%	30.7%
EBITDA margin %	38.8%	45.4%	47.3%	46.4%	43.7%	43.5%	43.8%	48.0%	52.0%
INTEREST COVERAGE									
(FFO + Interest Expense) / Interest Expense	3.7x	6.2x	6.1x	6.6x	4.9x	5.1x	5.7x	7.8x	11.5x
EBIT / Interest Expense	1.5x	3.3x	2.4x	2.6x	2.0x	2.2x	2.5x	4.1x	7.2x
EBITDA / Interest Expense	3.6x	6.3x	5.4x	6.1x	4.7x	4.9x	5.8x	8.1x	12.2x
LEVERAGE									
Debt / EBITDA	4.5x	3.0x	4.0x	3.0x	2.4x	2.1x	2.0x	1.4x	1.0x
Net Debt / EBITDA	4.1x	2.5x	3.4x	2.5x	2.1x	1.8x	1.7x	1.2x	0.8x

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Periods are financial year-end unless indicated.
Source: Moody's Financial Metrics™

Ratings

Exhibit 14

Category	Moody's Rating
ODFJELL DRILLING LTD.	
Outlook	Positive
Corporate Family Rating	B2
ODFJELL RIG III LTD.	
Outlook	Positive
Bkd Senior Secured	B2/LGD3

Source: Moody's Ratings

Endnotes

1 SPS are structural investigations and inspections to ensure asset's integrity.

2 $390 million is principal amount. $350 million outstanding as at 30 September 2024.

REPORT NUMBER 1429570

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454