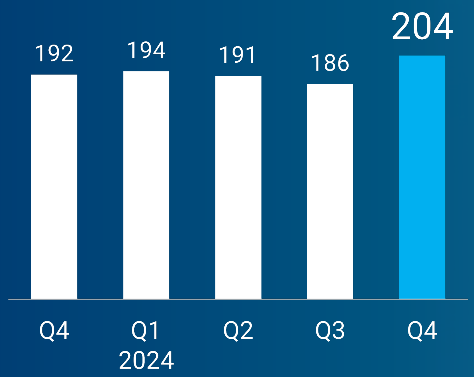
odfjell drilling

Report for the 4th Quarter of 2024 and Preliminary Results for the Financial Year Ending 31 December 2024

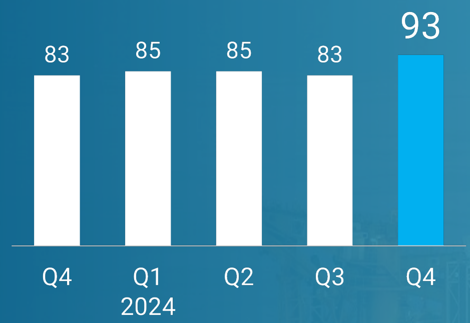
13 February 2025

Q4 Key Results

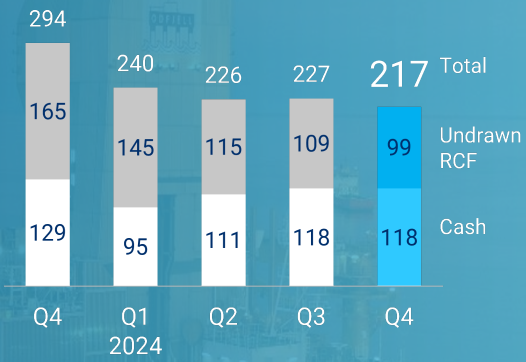
REVENUE ($m)



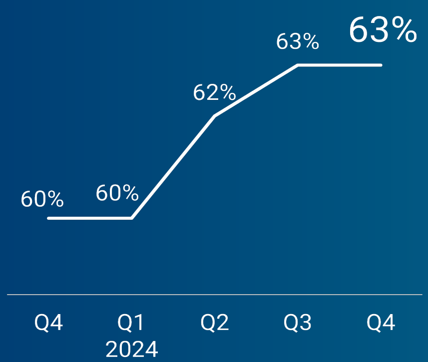
EBITDA ($m)



LIQUIDITY ($m)



EQUITY RATIO



NET DEBT ($m) & LEVERAGE RATIO

DIVIDEND PER SHARE ($)

Q4 Highlights

HIGHER DAY RATES BEGINNING TO POSITIVELY IMPACT FINANCIAL RESULTS

- Q4 Revenue of USD 204 million
- Q4 EBITDA of USD 93 million
- 96% Financial Utilisation

DIVIDEND MORE THAN DOUBLED

- Dividend increased to 12.5 cents per share from 6 cents per share
- Total Q4 dividend of USD 30 million
- Well-positioned to further increase shareholder distributions going forward

MORE BACKLOG SECURED; OWN FLEET SOLD OUT UNTIL 2027

- Extension of existing contract on Deepsea Atlantic by nearly twelve months
- Total order backlog of USD 1.9 billion of firm contracts
  - USD 0.1 billion from priced options

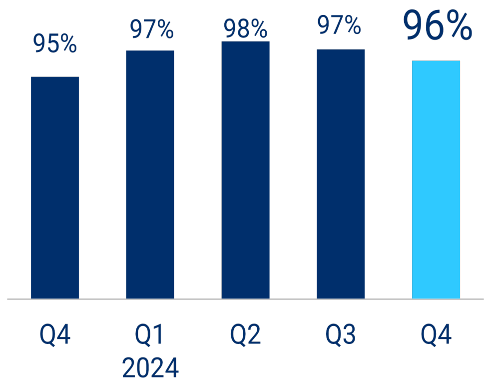
REDUCED INSTALMENTS AGREED

- Quarterly instalments on the Deepsea Nordkapp term loan facility reduced between Q1 2025 and Q4 2026
- Deferred instalments totaling USD 34.2 million will instead be due at maturity of the facility in Q1 2029

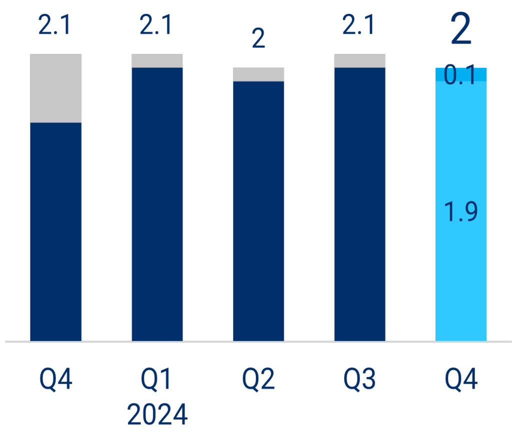
BALANCE SHEET AND LIQUIDITY REMAINS STRONG

- Leverage ratio of 1.6x
- Equity Ratio of 63%
- Available Liquidity of USD 217 million

Own Fleet Financial Utilisation



Backlog ($bn)



Kjetil Gjersdal, Odfjell Drilling AS CEO, commented:

"We are very pleased by the performance of our business in 2024. Thanks to the hard work and dedication of our staff, Odfjell Drilling has remained at the forefront of our industry, entering 2025 in one of the strongest positions in our history. Our latest results reflect this success, with record revenue, EBITDA growth, solid operations, and a further strengthened balance sheet.

"We are also delighted to share that we are more than doubling our dividend payments with a first increase to USD 12.5 cents per share. This substantial increase highlights our strong financial performance and confidence in future cash flow. With the SPS program nearing completion, and our rigs continuing going onto higher day rates and adding more backlog, we are in a strong financial position to return more capital to our shareholders in quarters and years to come."

Q4 Dividend Details

• Announced currency:	USD
• Dividend amount:	0.125 USD / share
• Payment amount:	USD 30 million
• Last day including right:	27 February 2025
• Ex-Dividend date:	28 February 2025
• Record date:	3 March 2025
• Payment date:	13 March 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	Q4 24	Q4 23	FY 24	FY 23
Operating revenue	204	192	775	732
EBITDA	93	83	345	329
EBIT	34	35	150	306
Net profit	15	24	65	222
EBITDA margin	45%	44%	45%	45%
Total assets			2,215	2,309
Net interest bearing debt			504	582
Equity			1,403	1,394
Equity ratio			63%	60%

Finishing the Year

Weathering the Winter Storms

In Q4, our own fleet was fully active on the Norwegian Continental Shelf (NCS). Despite challenging storm conditions and particularly harsh weather during the quarter, we achieved an impressive average financial utilisation of 96%.

The Deepsea Atlantic and Deepsea Stavanger remained on contract with Equinor, working on various exploration and appraisal wells and achieving financial utilisation of 97% and 98.1% respectively. Notably, Q4 marked the first full quarter of operations for Deepsea Atlantic since its SPS, operating at significantly increased day rates.

The Deepsea Aberdeen continued its contract with Equinor, contributing to development work on the Breidablikk field. It achieved a financial utilisation of 96.3% for the quarter. Meanwhile, the Deepsea Nordkapp supported Aker BP on multiple exploration projects, recording a financial utilisation of 91.2%.

Additionally, three of the company's external fleet were operational during Q4.

The Deepsea Bollsta and Deepsea Mira were engaged in drilling exploration wells in Namibia for Chevron and Total, while the Deepsea Yantai operated in Norway for Orlen Group. The Hercules, however, remained warm stacked in Norway throughout the quarter.

Reduced Term Loan Repayments

During the quarter, the Company agreed with its lenders to allow a reduction of scheduled quarterly instalments by approximately USD 4.3 million for the Deepsea Nordkapp term loan facility between Q1 2025 and Q4 2026. A total of USD 34.2 million will instead be due at maturity of the facility in Q1 2029.

The amendment adds to the distribution capability and financial flexibility of the Company.

Improving with Experience

The Company's forward backlog remains steady at USD 2 billion following an agreement with Equinor to extend the Deepsea Atlantic contract. Under this extension, Deepsea Atlantic will continue working with Equinor until mid-2027, with priced options available for the remainder of the year. Having been contracted with Equinor since 2009, the rig has demonstrated outstanding operational performance throughout the year.

First Step in Dividend Increase

Considering the Company's strong balance sheet, capex outlook, contract coverage, revenue generation and favourable market conditions, the Board has decided to double the quarterly dividend from 6 cents to 12.5 cents per share.

With the Special Periodic Survey Program set to finish by Q2 2025, capital expenditures are expected to decrease by the second half of this year. Additionally, all rigs are moving to higher day rates this year and the company has added more backlog. With this strong foundation, the company is well-positioned to increase capital returns to shareholders going forward.

Outlook

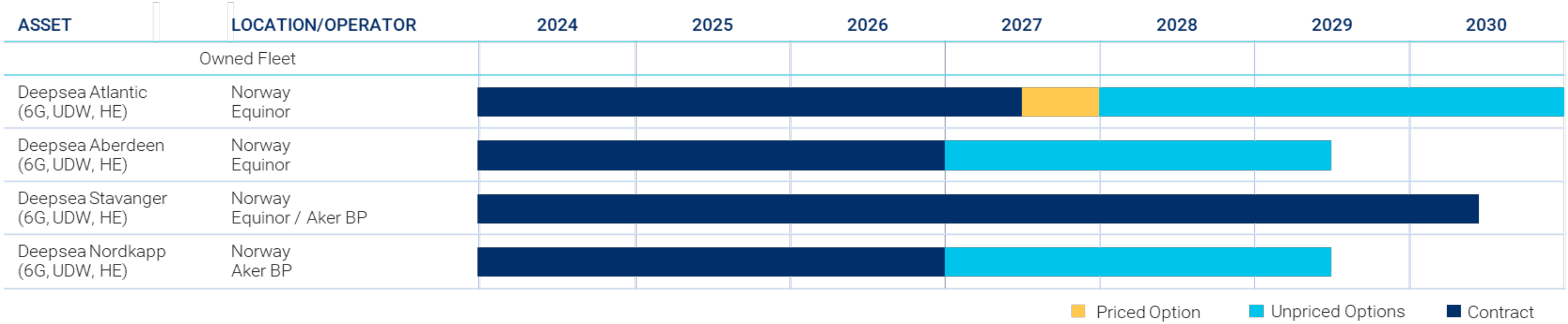
Norway Remains Strong

Following the recent contract extension on Deepsea Atlantic, which achieved day rates of USD 500,000 per day plus incentives, the Company's owned fleet is now fully booked until 2027, with Deepsea Stavanger secured until early Q2 2030. As a result, the Company's contracting strategy has shifted its focus to securing work for 2027 and 2028.

Demand for our services remains solid, with tenders outstanding in Norway and clients expressing interest in securing additional contracts for our rigs. Norway, in particular, continues to be a key and healthy market for our business.

Internationally, West Africa remains active for short-term work, with long-term demand expected to increase significantly, particularly as development progresses in Namibia's Orange Basin. Other regions, including Canada, Suriname, and the Falkland Islands, continue to present potential opportunities that could align with the availability of our managed fleet.

The Company 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 and robust cash flow generation for our business.



Segments

Own Fleet

All figures in USD million	Q4 24	Q4 23	FY 24	FY 23
Operating revenue	158	147	599	573
EBITDA	87	79	325	315
EBIT	29	31	134	296
EBITDA margin	55%	54%	54%	55%

(Figures for last comparable period in brackets)

Q4 2024

Operating revenue for the Own Fleet segment in Q4 2024 was USD 158 million (USD 147 million) driven by higher revenue for Deepsea Atlantic (USD 10 million), mainly due to rate uplift, and Deepsea Stavanger (USD 7 million) due to higher utilisation, rate escalation and higher bonus. The increase in revenue is offset by lower revenue for Deepsea Aberdeen (USD 4 million) due to lower day rate (Svalin wells in 2023) and lower bonus, and Deepsea Nordkapp (USD 1 million) due to low utilisation during the quarter and lower bonus offset by rate escalation.

EBITDA for the Own Fleet segment in Q4 2024 was USD 87 million (USD 79 million), driven by increase EBITDA for Deepsea Atlantic (USD 9 million) Deepsea Stavanger (USD 7 million) and offset by reduced EBITDA for Deepsea Aberdeen (USD 5 million) and Deepsea Nordkapp (USD 4 million).

FY 2024

Operating revenue for the Own Fleet segment FY 2024 was USD 599 million (USD 573 million) mainly driven by (i) higher revenue on Deepsea Atlantic (USD 15 million) due to increase in day rate, higher bonuses and add-on sales, partly offset by the SPS yard stay as well as (ii) Deepsea Nordkapp (USD 7 million) due to increase in day rate and higher add-on sales partly offset by lower bonus and (iii) lower utilisation and Deepsea Stavanger (USD 7 million) driven by rate increases, higher utilisation and add-on sales partly offset by lower bonus. The increase in revenue is partly offset by lower revenue for Deepsea Aberdeen (USD 3 million) due to lower average day rate and lower bonus.

EBITDA for the Own Fleet segment in FY 2024 was USD 325 million (USD 315 million), mainly driven by improved EBITDA for Deepsea Atlantic (USD 12 million) and Deepsea Stavanger (USD 4 million) partly offset by Deepsea Aberdeen (USD 4 million) and Deepsea Nordkapp (USD 3 million).

Own Fleet - Financial Utilisation

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

	Q4 24	Q4 23	FY 24	FY 23
Deepsea Stavanger	98.1 %	83.9 %	96.8 %	94.1 %
Deepsea Atlantic	97.0 %	97.6 %	98.1 %	98.6 %
Deepsea Aberdeen	96.3 %	97.6 %	96.5 %	97.0 %
Deepsea Nordkapp	91.2 %	99.2 %	96.1 %	99.4 %

- Deepsea Stavanger, Deepsea Atlantic and Deepsea Aberdeen have been operating for Equinor on the NCS during 2024.
- Deepsea Nordkapp has been operating for Aker BP on the NCS during 2024. The low utilisation on Deepsea Nordkapp in Q4 24 is due to particularly harsh weather as well as minor operational issues.

External Fleet

All figures in USD million	Q4 24	Q4 23	FY 24	FY 23
Operating revenue	45	44	174	156
EBITDA	9	7	29	24
EBIT	9	7	29	24
EBITDA margin	20%	17%	17%	15%

(Figures for last comparable period in brackets)

Q4 2024

Operating revenue for the External Fleet was USD 45 million (USD 44 million). The main driver of the increase is Deepsea Yantai (USD 2 million), Deepsea Mira (USD 1 million) and Deepsea Bollsta (USD 1 million) partly offset by decrease on Hercules (USD 3 million).

EBITDA for the External Fleet in Q4 2024 was USD 9 million (USD 7 million). The main driver is Hercules (USD 1 million) driven by recognised incentives for 2024.

FY 2024

Operating revenue for the External Fleet FY 2024 was USD 174 million (USD 156 million). The main drivers of the increase is Deepsea Yantai (USD 7 million), Deepsea Bollsta (USD 5 million) and Hercules (USD 4 million).

EBITDA for the External Fleet FY 2024 was USD 29 million (USD 24 million). The main driver of the increase is Hercules (USD 2 million), Deepsea Yantai (USD 2 million) and Deepsea Mira (USD 1 million).

Consolidated group financials

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

Profit Q4 2024

Operating revenue for Q4 2024 was USD 204 million (USD 192 million), an increase of USD 12 million, mainly due to increased revenue in the Own Fleet segment.

EBITDA in Q4 2024 was USD 93 million (USD 83 million). An increase of USD 10 million, mainly due to increased EBITDA in the Own Fleet segment. The EBITDA margin in Q4 2024 was 45% (44%).

Depreciation and amortisation cost in Q4 2024 was USD 59 million (USD 49 million), an increase of USD 10 million, mainly explained by increased depreciation on drilling equipment.

Net financial expenses in Q4 2024 amounted to USD 14 million (USD 16 million), a decrease of USD 2 million, mainly explained by a decrease in interest expenses.

Income tax costs in Q4 2024 was USD 5 million (positive USD 5). The Q4 2023 tax cost had a positive impact due to the relocation of the rig owning companies to Malta in December 2023.

Net profit in Q4 2024 was USD 15 million (USD 24 million), a decrease of USD 9 million. The decrease is mainly explained by positive income tax in Q4 2023.

Profit FY 2024

Operating revenue FY 2024 was USD 775 million (USD 732 million), an increase of USD 43 million. There is an increase in revenue in both segments.

EBITDA FY 2024 was USD 345 million (USD 329 million), an increase of USD 16 million, mainly explained by increased EBITDA in the Own Fleet segment of USD 10 million and increased EBITDA in the External Fleet segment of USD 5 million. The EBITDA margin FY 2024 was 45% (45%).

Depreciation, amortisation and impairment cost FY 2024 was USD 195 million (USD 22 million). The increase is mainly explained by reversal of impairment losses recognised in prior periods.

Net financial expenses FY 2024 amounted to USD 72 million (USD 84 million), a decrease of USD 12 million. The decrease is mainly explained by a positive change in net currency gains and borrowing expenses, partly offset by a negative change related to fair value of derivatives.

Net profit FY 2024 was USD 65 million (USD 222 million). The decrease is mainly explained by the reversal of impairment as described above.

Cash flow Q4 2024

Net cash flow from operating activities in Q4 2024 was USD 85 million (USD 66 million). This includes paid net interest of USD 22 million (USD 23 million).

Net cash outflow from investing activities in Q4 2024 was USD 43 million (USD 16 million). The cash outflows are mainly related to purchases of fixed assets.

Net cash outflow from financing activities in Q4 2024 was USD 38 million (USD 44 million). Net USD 5 million was drawn on the Odfjell Invest Revolving Credit Facility (RCF) in Q4 2024. There was also a USD 7 million positive cash flow from sale of the Group's holdings in the Odfjell Rig III Bonds. Refer to note 7 and 14 for more information. The Group paid USD 36 million in instalments on other facilities and leases. A dividend of USD 14 million was paid to the shareholders in Q4 2024.

Cash flow FY 2024

Net cash flow from operating activities FY 2024 was USD 288 million (USD 265 million). This includes paid net interest of USD 60 million (USD 56 million) and income taxes of USD 8 million (USD 6 million).

Net cash outflow from investing activities FY 2024 was USD 130 million (continuing operations USD 55 million). The 2024 cashflow is mainly related to purchases of fixed assets.

Net cash outflow from financing activities FY 2024 was USD 164 million (USD 196 million). Net USD 45 million was drawn on the Odfjell Invest RCF FY 2024. There was a positive effect of USD 7 million due to sale of bond, as described above. The Group repaid the Samsung Yard Credit of USD 53 million and further paid USD 105 million in instalments on leases and other facilities. Total dividends of USD 57 million were paid to the shareholders in 2024.

Balance sheet

Total assets as at 31 December 2024 amounted to USD 2,215 million (USD 2,309 million at 31 December 2023), a decrease of USD 94 million.

Total equity as at 31 December 2024 amounted to USD 1,403 million (USD 1,394 million at 31 December 2023), an increase of USD 9 million.

Net interest bearing debt as at 31 December 2024 amounted to USD 504 million (USD 582 million at 31 December 2023), a decrease of USD 78 million.

At 31 December 2024, cash amounted to USD 118 million (USD 129 million at 31 December 2023), a decrease of USD 11 million. In addition, the Company has available undrawn facilities of USD 99 million, taking the available liquidity to USD 217 million.

Sustainability

Environment

Deepsea Stavanger together with our client Equinor, spudded the first of two 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.

The Company continues to work closely with partners, clients and government to reduce emissions from its operations and achieve its targets for net zero by 2050.

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 2023 Annual Report. Emissions are presented in Tonnes Carbon Dioxide Equivalent ("tCO2e") unless stated otherwise.

Scope 1 CO2e emissions in Q4 2024 was 0 tCO2e (0 tCO2e) as all owned rigs were on contract.

Scope 3 CO2e emissions for category 6, business travel, in Q4 2024 was 214 tCO2e (350 tCO2e). Lower emissions were a result of fewer long-haul travels.

Scope 3 CO2e emissions for category 7, employee commuting, in Q4 2024 was 1,869 tCO2e (3,012 tCO2e). YTD 2024 has increased compared to YTD 2023 due to the external fleet operated internationally for all quarters of 2024, compared to only Deepsea Yantai and Deepsea Bollsta for the same period in 2023.

Social

S1-9 *Taking action on material impacts on own workforce*

The Women in Drilling network hosted its second event for female employees, both onshore and offshore, focusing on fostering inclusivity. The day featured interactive workshops covering key topics such as culture, leadership, life phases and the organization's zero-tolerance stance on bullying and harassment.

S1-14 *Taking action on material impacts on own workforce*

In the fourth quarter, as part of the Always Safe annual initiative, the learning package focused on Health and Working Environment. The aim is to promote good health and prevent musculoskeletal disorders, which is one of the largest causes of sickness absence and dropout from working life. The case studies focus on how we can assess and manage ergonomic risk factors in planning and execution of work, as well as risks related to excessive workload.

Governance

ESRS 2 - Sustainability assurance

Sustainability assurance ready Odfjell Drilling is on track for the EU Corporate Sustainability Reporting Directive ("CSRD") and the applicable European Sustainability Reporting Standards ("ESRS"), starting limited assurance of the sustainability statement and developing required processes to ensure compliance.

G1-3 – Corruption and Bribery

Odfjell Drilling's compliance program includes procedures, processes, training and tools applicable throughout the organisation. The annual compliance training was circulated to employees in Q4 with the final confirmation of compliance with the Code of Business Conduct to be completed in the new year.

Sustainability Key Figures

Enviromental Matters and Data Points	Q4 24	Q4 23	FY 24	FY 23
E1 – CLIMATE CHANGE (REPORTED IN tCO2e) [1]				
Scope 1 GHG Emissions [2]	-	-	995	-
Scope 2 GHG Emissions [3]	1	1	4	7
Significant scope 3 GHG emissions:				
• Category 4 Upstream transportation and distribution	92	122	529	916
• Category 6 Business travelling [4]	214	350	1,002	884
• Category 7 Employee commuting [5]	1,869	3,012	8,457	7,509
• Category 13 Downstream leased assets [6]	38,515	36,046	141,002	137,846
Total GHG emissions [7]	**40,691**	**39,531**	**151,989**	**147,162**
E2 - POLLUTION				
NOx Emissions (tonnes) [8]	-	2	31.0	4.0
Significant spills to sea [9]	-	-	-	-

Enviromental Data - Notes and Definitions

1 E1 – Climate Change: see GHG accounting methodology statement in the 2023 Annual Report.
2 Scope 1: owned fleet off contract.
3 Scope 2: business premise Bergen office. FY 23 recalculated due to revised methodology.
4 Scope 3 category 6: business travel for onshore employees.
5 Scope 3 category 7: employee commuting for offshore crew, owned and external fleet.
6 Scope 3 category 13: owned fleet on contract.
7 Total GHG emissions includes scope 1, scope 2 and scope 3 category 4,6,7 and 13.
8 NOx emissions are defined as reportable NOx emisions to the Norwegian authorities.
9 Spills are defined as the number of serious uncontrolled spills to sea.

Social Matters and Data Points	31.12.2024	31.12.2023
S1 - OWN WORKFORCE		
Number of Employees	1,547	1,563
Employee Turnover Rate - Year to date	3.7 %	2.4%
Female in leadership positions	28%	25%
Sick leave - Year to date	4.0 %	4.7%
S1-14 HEALTH AND SAFETY		
Lost time incident frequency*	0.71	0.71
Total recordable incident frequency TRIF*	2.35	2.60
Dropped Objects frequency*	2.35	3.31

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

Governance Matters and Data Points	FY 24	FY 23
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 programs and capital discipline, in order to maintain its competitiveness.

London, United Kingdom

12 February 2025

Board of Directors of Odfjell Drilling Ltd.

Simen Lieungh, Chair

Helene Odfjell, Director

Harald Thorstein, Director

Knut Hatleskog, Director

Condensed Consolidated Financial Statements

Condensed Consolidated Income Statement

USD million	Note	Q4 24	Q4 23	FY 24	FY 23
OPERATING REVENUE	2,3	**203.7**	**191.8**	**775.1**	**732.5**
Other gains and losses		(0.0)	-	0.6	-
Personnel expenses		(72.7)	(69.1)	(283.3)	(262.4)
Other operating expenses		(38.5)	(39.2)	(146.9)	(141.6)
EBITDA		**92.5**	**83.5**	**345.4**	**328.5**
Depreciation, amortisation and impairment	5,6	(58.7)	(48.7)	(195.0)	(22.1)
OPERATING PROFIT (EBIT)		**33.8**	**34.8**	**150.5**	**306.4**
Net financial expenses	4	(13.9)	(15.9)	(72.0)	(84.0)
Profit before taxes		**20.0**	**18.9**	**78.5**	**222.4**
Income tax expense		(4.5)	5.4	(13.8)	(0.3)
NET PROFIT		**15.4**	**24.2**	**64.7**	**222.1**
Profit attributable to:					
Owners of the parent		15.4	24.2	64.7	222.1
Earnings per share (USD)					
Basic earnings per share	13	0.06	0.10	0.27	0.94
Diluted earnings per share	13	0.06	0.10	0.27	0.94

Condensed Consolidated Statement of Comprehensive Income

USD million	Q4 24	Q4 23	FY 24	FY 23
NET PROFIT	**15.4**	**24.2**	**64.7**	**222.1**
Items that will not be reclassified to profit or loss:				
Remeasurements of post employment benefit obligations (net of tax)	(0.1)	(0.4)	(0.1)	(0.4)
Items that are or may be reclassified to profit or loss:				
Cash flow hedges (net of tax)	(0.4)	(1.8)	(4.0)	(7.6)
Currency translation differences	(6.1)	4.4	(10.4)	(0.5)
OTHER COMPREHENSIVE INCOME, NET OF TAX	**(6.5)**	**2.2**	**(14.5)**	**(8.5)**
TOTAL COMPREHENSIVE INCOME	**8.9**	**26.4**	**50.3**	**213.6**
Total comprehensive income attributable to:				
Owners of the parent	8.9	26.4	50.3	213.6

Condensed Consolidated Statement of Financial Position

USD million	Note	31.12.2024	31.12.2023
ASSETS			
Property, plant and equipment	5	1,932.3	2,013.0
Intangible assets	6	2.6	3.0
Deferred tax asset		6.7	8.5
Non-current receivable	11	27.1	30.2
Other non-current assets	9	0.2	-
TOTAL NON-CURRENT ASSETS		**1,968.8**	**2,054.7**
Trade receivables		106.9	100.0
Contract assets		7.5	8.4
Other current assets		13.6	16.6
Cash and cash equivalents		118.1	129.2
TOTAL CURRENT ASSETS		**246.1**	**254.2**
TOTAL ASSETS		**2,214.9**	**2,308.8**

USD million	Note	31.12.2024	31.12.2023
EQUITY AND LIABILITIES			
Paid-in capital	12	386.2	370.2
Other equity		1,017.0	1,023.9
TOTAL EQUITY		**1,403.1**	**1,394.0**
Non-current interest-bearing borrowings	7	527.3	561.8
Non-current lease liabilities	8	27.6	38.4
Other non-current liabilities		0.7	2.1
TOTAL NON-CURRENT LIABILITIES		**555.7**	**602.3**
Current interest-bearing borrowings	7	95.0	149.6
Current lease liabilities	8	15.7	24.9
Contract liabilities		44.1	22.1
Trade payables		35.5	48.9
Other current liabilities		65.8	67.0
TOTAL CURRENT LIABILITIES		**256.1**	**312.5**
TOTAL LIABILITIES		**811.8**	**914.8**
TOTAL EQUITY AND LIABILITIES		**2,214.9**	**2,308.8**

Condensed Consolidated Statement of Changes in Equity

USD million	Note	Paid-in capital	Other equity	Total equity
Balance at 1 January 2023		**370.2**	**838.3**	**1,208.5**
Profit for the period		-	222.1	222.1
Other comprehensive income for the period		-	(8.5)	(8.5)
Total comprehensive income for the period		**-**	**213.6**	**213.6**
Dividends paid		-	(28.4)	(28.4)
Cost of share-based option plan		-	0.4	0.4
Transactions with owners		-	(28.0)	(28.0)
BALANCE AT 31 DECEMBER 2023		**370.2**	**1,023.9**	**1,394.0**
Profit for the period		-	64.7	64.7
Other comprehensive income for the period		-	(14.5)	(14.5)
Total comprehensive income for the period		**-**	**50.3**	**50.3**
Dividends paid	12	-	(57.2)	(57.2)
Warrants exercised	12	16.0	-	16.0
Exercised share-based options		-	(0.4)	(0.4)
Cost of share-based option plan		-	0.4	0.4
Transactions with owners		**16.0**	**(57.2)**	**(41.2)**
BALANCE AT 31 DECEMBER 2024		**386.2**	**1,017.0**	**1,403.1**

Condensed Consolidated Statement of Cash Flows

USD million	Note	Q4 24	Q4 23	FY 24	FY 23
CASH FLOWS FROM OPERATING ACTIVITIES:					
Profit before tax		20.0	18.9	78.5	222.4
Adjustment for interest, provisions and non-cash elements		69.9	71.6	262.3	109.4
Changes in working capital		18.0	(0.6)	15.2	(4.9)
Cash generated from operations		**107.8**	**89.9**	**356.0**	**326.9**
Net interest paid		(22.1)	(23.2)	(59.9)	(56.2)
Net income tax paid		(0.7)	(0.3)	(8.4)	(6.0)
NET CASH FLOW FROM OPERATING ACTIVITIES		**85.1**	**66.5**	**287.7**	**264.7**
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchase of property, plant and equipment		(44.7)	(14.1)	(132.0)	(66.2)
Proceeds from grants		-	-	-	12.7
Proceeds from sale of property, plant and equipment		-	-	0.0	0.0
Payment regarding letter of indemnity to Odfjell Technology Ltd.	11	-	-	-	(30.8)
Other investing activities		1.7	(1.6)	1.7	(1.6)
NET CASH FLOW FROM INVESTING ACTIVITIES		**(43.0)**	**(15.7)**	**(130.3)**	**(85.9)**
-of which from continuing operations		(43.0)	(15.7)	(130.3)	(55.1)
-of which from discontinued operations					(30.8)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from borrowings	7	51.7	120.2	91.7	534.9
Repayment of borrowings	7	(72.3)	(143.7)	(182.1)	(680.2)
Repayment of lease liabilities	8	(3.3)	(6.2)	(16.1)	(22.7)
Proceeds from issuing shares	12	0.0	-	0.0	-
Dividends paid	12	(14.4)	(14.2)	(57.2)	(28.4)
NET CASH FLOW FROM FINANCING ACTIVITIES		**(38.3)**	**(44.0)**	**(163.7)**	**(196.4)**
Effects of exchange rate changes on cash and cash equivalents		(4.1)	1.9	(4.8)	(10.3)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(0.2)**	**8.6**	**(11.1)**	**(28.0)**
Cash and cash equivalents at beginning of period		118.4	120.6	129.2	157.2
CASH AND CASH EQUIVALENTS AT PERIOD END		**118.1**	**129.2**	**118.1**	**129.2**

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 12 February 2025 and have not been audited.

Basis for preparation

These condensed interim financial statements for the twelve months period ended 31 December 2024 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 2023.

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 2023.

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

Note 2 Segment summary

The Board is the Group's chief operating decision maker. Management has determined the operating segments based on the information reviewed by the Board for the purposes of allocating resources and assessing performance.

The Group provides drilling and related services to oil and gas companies. The group owned four drilling units during 2023 and 2024 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	Q4 24	Q4 23	Q4 24	Q4 23	Q4 24	Q4 23	Q4 24	Q4 23
External segment revenue	158.4	147.2	44.5	43.6	0.7	1.0	203.7	191.8
Inter segment revenue	-	-	-	-	-	-	-	-
TOTAL REVENUE	**158.4**	**147.2**	**44.5**	**43.6**	**0.7**	**1.0**	**203.7**	**191.8**
EBITDA	**87.4**	**79.1**	**8.9**	**7.4**	**(3.7)**	**(3.0)**	**92.5**	**83.5**
Depreciation, amortisation and impairment	(57.9)	(47.9)	-	-	(0.8)	(0.8)	(58.7)	(48.7)
EBIT	**29.5**	**31.2**	**8.9**	**7.4**	**(4.5)**	**(3.9)**	**33.8**	**34.8**
Net financial expenses							(13.9)	(15.9)
PROFIT BEFORE TAX - CONSOLIDATED GROUP							**20.0**	**18.9**

	Own Fleet		External Fleet		Corporate / other		Consolidated	
USD million	FY 24	FY 23	FY 24	FY 23	FY 24	FY 23	FY 24	FY 23
External segment revenue	598.6	572.9	173.5	156.3	2.9	3.3	775.1	732.5
Inter segment revenue	-	-	-	-	-	-	-	-
TOTAL REVENUE	**598.6**	**572.9**	**173.5**	**156.3**	**2.9**	**3.3**	**775.1**	**732.5**
EBITDA	**325.3**	**315.1**	**29.1**	**23.6**	**(8.9)**	**(10.2)**	**345.4**	**328.5**
Depreciation, amortisation and impairment	(191.5)	(18.8)	-	-	(3.5)	(3.3)	(195.0)	(22.1)
EBIT	**133.8**	**296.3**	**29.1**	**23.6**	**(12.4)**	**(13.5)**	**150.5**	**306.4**
Net financial expenses							(72.0)	(84.0)
PROFIT BEFORE TAX - CONSOLIDATED GROUP							**78.5**	**222.4**

Note 3 Revenue

USD million	Q4 24	Q4 23	FY 24	FY 23
Revenue from contracts with customers	125.3	119.1	480.5	448.7
Lease component in Own Fleet contracts	78.3	72.6	294.3	283.4
Other operating revenue	0.0	0.1	0.2	0.4
OPERATING REVENUE	**203.7**	**191.8**	**775.1**	**732.5**

Disaggregation of revenue - Primary geographical markets

	Own Fleet		External Fleet		Corporate / Other		Consolidated	
USD million	Q4 24	Q4 23	Q4 24	Q4 23	Q4 24	Q4 23	Q4 24	Q4 23
Norway	158.4	147.2	20.8	10.9	0.7	1.0	179.9	159.1
Namibia	-	-	14.7	32.7	-	-	13.7	32.7
Ghana	-	-	7.2	-	-	-	7.2	-
Congo	-	-	0.7	-	-	-	1.2	-
Canada	-	-	1.2	-	-	-	1.7	-
TOTAL OPERATING REVENUE	**158.4**	**147.2**	**44.5**	**43.6**	**0.7**	**1.0**	**203.7**	**191.8**

	Own Fleet		External Fleet		Corporate / Other		Consolidated	
USD million	FY 24	FY 23	FY 24	FY 23	FY 24	FY 23	FY24	FY 23
Norway	598.6	572.9	55.9	65.5	2.9	3.3	657.4	641.7
Namibia	-	-	72.0	82.4	-	-	72.0	82.4
Congo	-	-	20.0	-	-	-	20.0	-
Canada	-	-	18.4	8.4	-	-	18.4	8.4
Ghana	-	-	7.2	-	-	-	7.2	-
TOTAL OPERATING REVENUE	**598.6**	**572.9**	**173.5**	**156.3**	**2.9**	**3.3**	**775.1**	**732.5**

Note 4 Net financial expenses

USD million	Note	Q4 24	Q4 23	FY 24	FY 23
Interest income		1.1	0.8	5.5	5.3
Interest expense lease liabilities	8	(0.8)	(1.0)	(3.6)	(4.2)
Other interest expenses		(14.2)	(16.0)	(61.3)	(63.1)
Other borrowing expenses		(0.6)	(0.6)	(2.5)	(7.9)
Change in fair value of derivatives*		-	(0.5)	(11.7)	(3.8)
Net currency gain / (loss)		0.3	1.3	1.6	(8.6)
Other financial items		0.4	(0.0)	0.1	(1.7)
NET FINANCIAL EXPENSES		**(13.9)**	**(15.9)**	**(72.0)**	**(84.0)**

** 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
Opening net book amount as at 1 January 2024	1,867.6	83.9	1.8	59.7	2,013.0
Additions	42.9	73.5	0.2	6.3	122.9
Disposals	-	-	(0.0)	(5.1)	(5.1)
Depreciation	(138.8)	(39.4)	(0.5)	(16.2)	(194.9)
Currency translation differences	-	-	(0.2)	(3.4)	(3.6)
NET BOOK AMOUNT AS AT 31 DECEMBER 2024	**1,771.7**	**118.0**	**1.3**	**41.2**	**1,932.3**
Useful lifetime	*5 - 30 years*	*5 years*	*3 - 5 years*	*2-12 years*	
Depreciation schedule	*Straight line*	*Straight line*	*Straight line*	*Straight line*	

Impairment of 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 December 2024.

Note 6 Intangible assets

USD million	Goodwill	Software	Total intangible assets
Opening net book amount as at 1 January 2024	2.9	0.1	3.0
Additions	-	-	-
Amortisation	-	(0.1)	(0.1)
Currency translation differences	(0.3)	(0.0)	(0.3)
CLOSING NET BOOK AMOUNT AS AT 31 DECEMBER 2024	**2.6**	**-**	**2.6**

Impairment test for goodwill

All goodwill is allocated to the External Fleet segment.

The recoverable amount of the CGUs has been determined based on value-in-use calculations. These calculations use pretax cash flow projections based on prognoses made by management covering a five-year period. The prognosis for the EBITDA margin in 2025 and the following years is based on past performance and expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax weighted average cost of capital and reflect specific risks relating to the relevant operating segments.

	External Fleet
EBITDA margin in prognosis period	17% - 24%
Growth rate year 6 and forward	0.0%
Weighted Average Cost of Capital, pre-tax	10%

Impairment tests performed for goodwill for respective CGUs do not indicate any impairment as per 31.12.2024.

Sensitivity analysis for goodwill impairment test as at 31.12.2024

The Group has performed sensitivity analysis for the goodwill impairment test by reducing operating income by one, five and ten percent and EBITDA margin by one, five and ten percentage points respectively. None of the scenarios indicated any impairment write-down of goodwill as at 31 December 2024.

Note 7 Interest-bearing borrowings

USD million	31.12.2024	31.12.2023
Non-current	527.3	561.8
Current	95.0	149.6
TOTAL	**622.3**	**711.4**

The Odfjell Rig V Ltd. seller's credit

The seller's credit of USD 53 million was repaid as scheduled in January 2024.

The Odfjell Invest Revolving Credit Facility (RCF)

USD 45 million was drawn and outstanding on the Odfjell Invest Revolving Credit Facility (RCF) as per 31 December 2024.

The Odfjell Rig III Bond loan

In November 2024, Odfjell Drilling Ltd. sold its holdings in Odfjell Rig III Ltd. bonds, refer to Note 14 for more information. The nominal value of USD 6.7 million is presented as proceeds from borrowings in the Consolidated Statement of Cash Flows.

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

USD million	Non-current	Current	Total
Carrying amount as at 1 January 2024	561.8	149.6	711.4
CASH FLOWS:			-
New borrowings	91.7	-	91.7
Repayment borrowings and seller's credit	-	(182.1)	(182.1)
NON-CASH FLOWS:			
Reclassified from / (to) current borrowings	(128.8)	128.8	-
Change in transaction cost, unamortised	2.5	-	2.5
Change in accrued interest cost	-	(1.2)	(1.2)
CARRYING AMOUNT AS AT 31 DECEMBER 2024	**527.3**	**95.0**	**622.3**

Repayment schedule for interest-bearing borrowings

USD million	31.12.2024	31.12.2023
Within 3 months	23.0	64.5
Between 3 and 6 months	28.0	32.3
Between 6 and 9 months	9.0	12.3
Between 9 months and 1 year	29.0	32.3
Between 1 and 2 years	76.2	91.2
Between 2 and 3 years	93.3	93.3
Between 3 and 4 years	321.9	93.3
Between 4 and 5 years	42.8	284.8
Beyond 5 years	-	8.6
TOTAL CONTRACTUAL AMOUNTS	**623.3**	**712.6**

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.

The Odfjell Rig V Ltd Facility

In December 2024 the Group entered into an amendment agreement with its lenders which will allow for reducing the scheduled quarterly instalments by approximately USD 4.3 million on the Deepsea Nordkapp term loan facility between Q1 2025 and Q4 2026. As a result of this amendment, a total of USD 34.2 million will instead be due at maturity of the facility in Q1 2029.

Available drawing facilities

Odfjell Drilling had USD 99 million available on the RCF facility as per 31 December 2024.

Covenants

Odfjell Drilling is compliant with all financial covenants as at 31 December 2024.

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	31.12.2024	31.12.2023
Non-current	27.6	38.4
Current	15.7	24.9
TOTAL	**43.4**	**63.3**

Movements in lease liabilities are analysed as follows:

USD million	Non-current	Current	Total
Carrying amount as at 1 January 2024	38.4	24.9	63.3
CASH FLOWS:			
Payments for the principal portion of the lease liability	-	(16.1)	(16.1)
Payments for the interest portion of the lease liability	-	(3.3)	(3.3)
NON-CASH FLOWS:			
New lease liabilities recognised in the year	6.3	-	6.3
Disposals	(5.7)	-	(5.7)
Interest expense on lease liabilities	3.6	-	3.6
Reclassified to current portion of lease liabilities	(11.4)	11.4	-
Currency exchange differences	(3.6)	(1.1)	(4.7)
CARRYING AMOUNT AS AT 31 DECEMBER 2024	**27.6**	**15.7**	**43.4**

Note 9 Financial risk management and financial instruments

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.

Valuation techniques used to derive Level 3 fair values

Warrant liabilities are Level 3 derivatives held at fair value through profit or loss. The Company has calculated fair value of the warrant liability using a modelling technique with Monte Carlo simulation together with judgement regarding modelling assumptions. No changes have been made as of 31 December 2023 related to the modelling technique used to calculate fair value. Changes in book value relate to fair value changes.The warrants were exercised in May 2024, refer to Note 12 for further information.

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

USD million	Level	31.12.2024	31.12.2023
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			
Derivatives designated as hedging instruments			
- Interest rate swaps - Other non-current assets	2	0.2	-
- Foreign exchange forward contracts - Other current assets	2	-	1.6
Investment in bonds	2	-	1.6
OTHER FINANCIAL ASSETS			
Trade and other current receivables		115.5	111.3
Cash and cash equivalents		118.1	129.2
TOTAL FINANCIAL ASSETS		**233.8**	**243.8**

USD million	Level	31.12.2024	31.12.2023
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS			
Derivatives not designated as hedging instruments			
- Foreign exchange forward contracts - Other current liabilities	2	-	0.0
Derivatives designated as hedging instruments			
- Interest rate instruments - Other non-current liabilities	2	0.2	1.3
- Foreign exchange forward contracts - Other current liabilities	2	4.1	0.2
Warrant liabilities - Other current liabilities	3	-	4.2
OTHER FINANCIAL LIABILITIES			
Non-current interest-bearing borrowings		527.3	561.8
Current interest-bearing borrowings		95.0	149.6
Non-current lease liabilities		27.6	38.4
Current lease liabilities		15.7	24.9
Trade and other payables		68.3	82.4
TOTAL FINANCIAL LIABILITIES		**738.3**	**862.9**

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	31.12.2024	31.12.2023
Rig investments	27.1	51.5
TOTAL	**27.1**	**51.5**

The major part of committed capital expenditure as at 31 Decmber 2024 is expected to be paid in the next 12 months.

Note 11 Contingencies

Letter of indemnity and related receivable

Refer to Note 28 in the Annual Report 2023 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 will be 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 December 2024.

Note 12 Share information and dividend

	No. of shares	Nominal value	Share capital - USD thousands
Listed shares / Common shares issued as at 1 January 2024	236,783,202	USD 0.01	2,368
New common shares issued 31 May 2024	3,023,886	USD 0.01	30
LISTED SHARES / COMMON SHARES ISSUED AS AT 31 DECEMBER 2024	**239,807,088**		**2,398**
TOTAL SHARE CAPITAL			**2,398**

New shares issued

Following an exercise of warrants by Akastor ASA, refer to Note 23 in the Annual report 2023, 3,023,886 new ordinary shares were issued to Akastor 31 May 2024.The new shares are ordinary shares without any special rights and are freely transferable negotiable instruments. As a result, the Company now have a share capital of USD 2,398,070.88, divided into 239,807,088 shares in issue, with no further warrants outstanding.

The fair value of the warrant liability at the exercise date of USD 16 million was converted to equity and classified as other paid in capital.

Other information

Authorised, not issued common shares was 40,192,912 as at 31 December 2024. All issued shares are fully paid.

The Group has not acquired any of its own shares in 2024, and no shares are held by entities in the Group.

Dividend payments

14 February 2024, the Board of Directors approved a dividend distribution of 0.06 USD per share, equal to USD 14.2 million. 14 May 2024, a dividend distribution of 0.06 USD per share, equal to USD 14.2 million was approved. 20 August 2024, a dividend distribution of 0.06 USD per share, equal to USD 14.4 million was approved, and in November a dividend distribution of 0.06 USD per share, equal to USD 14.4 million was approved.

Accumulated dividend distribution FY 2024 amounts to 0.24 USD per share, equal to USD 57 million.

Note 13 Earnings per share

The Company had issued warrants for up to 6,837,492 common shares, see Note 23 in the Annual report 2023 for further information. On 31 May 2024 3,023,886 new ordinary shares were issued to Akastor under the warrant agreement, see further description in Note 12. There are no further warrants outstanding at 31 December 2024.

The Company has a share option plan for 1,850,000 common shares at 31 December 2024, see Note 33 in the Annual report 2023 for further information. In July 2024 120,000 of the options were exercised with a cash settlement.

USD million	Q4 24	Q4 23	FY 24	FY 23
Profit due to owners of the parent	15.4	24.2	64.7	222.1
Adjustment related to warrants and share option plan	-	-		-
Diluted profit for the period due to owners of the parent	**15.4**	**24.2**	**64.7**	**222.1**

	Q4 24	Q4 23	FY 24	FY 23
Weighted average number of common shares in issue	239,807,088	236,783,202	238,552,674	236,783,202
Effects of dilutive potential common shares:				
• Warrants	n/a	790,387	n/a	-
• Share option plan	706,999	246,707	691,146	-
Diluted average number of shares outstanding	**240,514,087**	**237,820,296**	**239,243,820**	**236,783,202**

	Q4 24	Q4 23	FY 24	FY 23
Earnings per share - total				
Basic earnings per share (USD)	0.06	0.10	0.27	0.94
Diluted earnings per share (USD)	0.06	0.10	0.27	0.94

Note 14 Related-party transactions

The Group had the following material transactions with related parties:

USD million	Relation	Q4 24	Q4 23	FY 24	FY 23
Companies within the Odfjell Technology Ltd. Group	Related to main shareholder	0.8	0.7	3.1	2.9
Odfjell Oceanwind AS	Related to main shareholder	0.1	0.1	0.2	0.5
Odfjell Land AS	Related to main shareholder	0.0	0.1	0.2	0.4
TOTAL SALES OF SERVICES TO RELATED PARTIES		**0.9**	**0.8**	**3.5**	**3.7**

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

USD million	Relation	Q4 24	Q4 23	FY 24	FY 23
Companies within the Odfjell Technology Ltd. Group	Related to main shareholder	14.8	15.3	53.4	51.5
Odfjell Oceanwind AS	Related to main shareholder	-	-	0.0	0.1
TOTAL PURCHASES FROM RELATED PARTIES		**14.8**	**15.3**	**53.4**	**51.6**

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.

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	31.12.2024	31.12.2023
Trade receivables	0.3	0.3
Other current receivables	-	0.4
Trade payables	(4.4)	(4.7)
Other current payables	(3.9)	(6.4)
NET CURRENT PAYABLES RELATED PARTIES	**(8.0)**	**(10.4)**

Lease agreements

USD million			31.12.2024	Q4 24	FY 24
Related party	**Relation**	**Type of asset**	**Lease liability**	**Payments**	**Payments**
Odfjell Land AS	Related to main shareholder	Properties	21.7	1.1	3.4
Companies within the Odfjell Technology Ltd. Group	Related to main shareholder	Mooring and drilling equipment	20.3	2.9	15.6
TOTAL			**42.0**	**4.0**	**19.0**

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 Decmber 2024, after selling 23,400,000 shares in September 2024.

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 Decmber 2024.

Sale of bond to related party

In November 2024, Odfjell Drilling Ltd. sold its holdings in Odfjell Rig III Ltd. bonds, with a nominal value of USD 6,730,770, and HMH Holding B.V. bonds, with a nominal value of USD 1,600,000, to Odfjell Partners Holding Ltd. at market price.

Note 15 Events after the reporting period

Refer to Note 11 Contingencies for information about the judgment issued by the court on 23 January 2025.

12 February 2025, the Board of Directors approved a dividend distribution of 0.125 USD per share, equal to approximately USD 30 million, with payment in March 2025.

There have been no other events after the balance sheet date with material effect on the interim financial statements ended 31 December 2024.

Appendix 1: Definitions of alternative performance measures

Contract backlog

The Company'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 interest and taxes. Equal to Operating profit.

EBIT margin

EBIT/Operating revenue.

EBITDA

Earnings before depreciation, amortisation and impairment, interest and taxes.

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

		31.12.2024	
Non-current interest-bearing borrowings	USD	527.3	million
Current interest-bearing borrowings	USD	95.0	million
Non-current lease liabilities	USD	27.6	million
Current lease liabilities	USD	15.7	million
Adjustment for real estate lease liabilities	USD	(23.0)	million
A Adjusted financial indebtedness	**USD**	**642.6**	**million**
Cash and cash equivalents	USD	118.1	million
Adjustment for restricted cash and other cash not readily available	USD	(15.0)	million
B Adjusted cash and cash equivalents	**USD**	**103.1**	**million**
A-B=C Adjusted Net interest-bearing debt	**USD**	**539.6**	**million**
EBITDA last 12 months	USD	345.4	million
Adjustment for effects of real estate leases	USD	(5.0)	million
D Adjusted EBITDA	**USD**	**340.5**	**million**
C/D=E LEVERAGE RATIO		**1.6**	

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