



Q1 2025 Presentation

May 30, 2025



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Q1 2025 Highlights

Revenue

- \$25.8 million in Q1 vs. \$26.6 million in Q4

Utilization

- 89.7% utilization in Q1 2025 vs. 90.6% in Q4 2024

EBITDA

- Adj. EBITDA of \$6.7 million in Q1 2025 vs. \$6.6 million in Q4 2024

Net results

- Change in estimated useful life lowering depreciation
- Profit after tax of \$5.2m

Backlog

- Backlog of \$17.6 million as of May 28, 2025

Recent Events and Outlook

Monthly cash distributions

- 30 consecutive monthly distributions, totaling \$77.7m or NOK ~19 per share
- Latest distribution of \$0.04/sh implies 21.8% dividend yield p.a.⁽¹⁾
- We intend to continue to payout excess earnings

Fleet status

- 9 out of 11 rigs contracted
- One rig to transition between two customers early June with minimal “white space”
- Pursuing opportunities for the two idle rigs, including outside of Permian

Weaker near term outlook

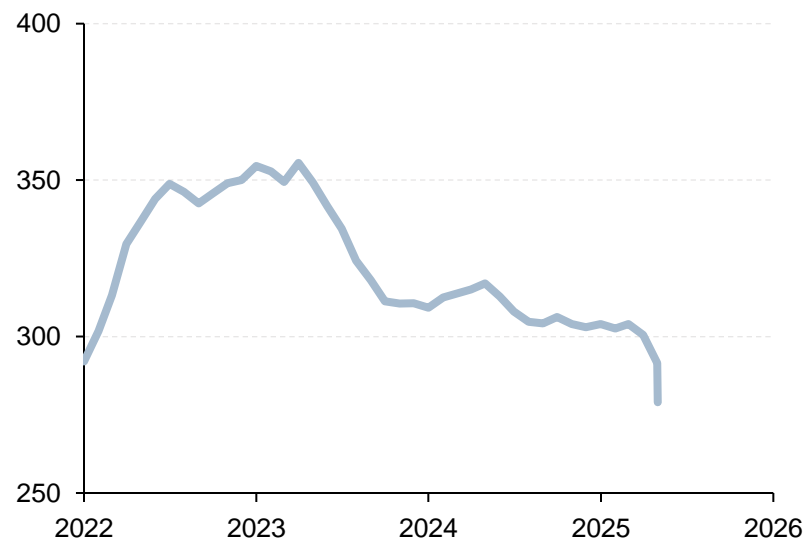
- E&P capex reductions affecting rig demand near term in Permian
- Slowing US oil production growth, likely plateauing at current activity levels
- Natural gas related drilling activity expected to increase going forward

Note: (1) Based on NorAm Drilling's closing share price of NOK 22.4 and a USDNOK rate of 10.17 as of May 28, 2025

Recent Rig Count Decline Indicates Lower Production Ahead

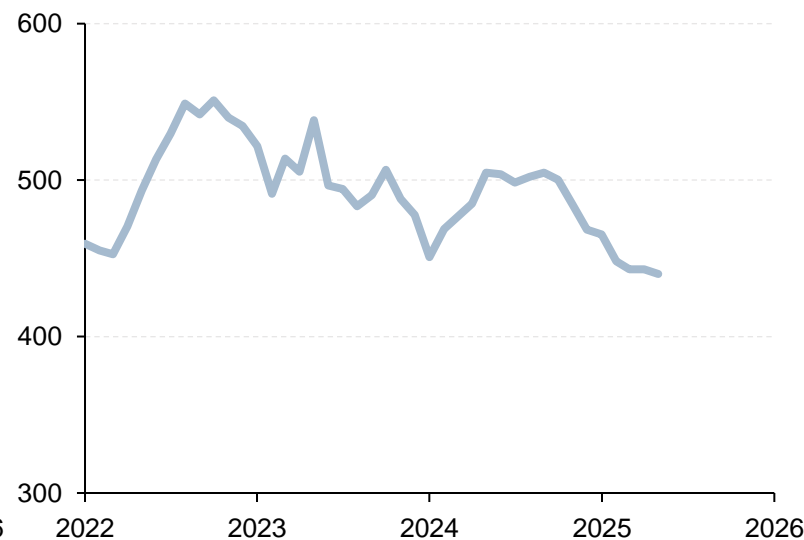
Rig Count dropping in Permian...

of rigs working in Permian



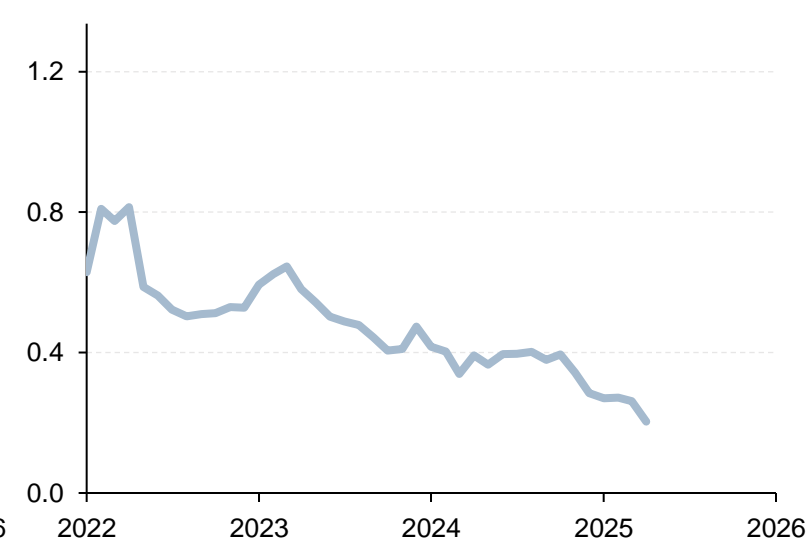
Leading to fewer well completions...

of wells completed per month (3m moving average)



and declining oil production growth

Y/Y oil production change in Permian (3m moving average)
Million barrels of oil per day



- Permian rig count down ~25 rigs YTD
- April 2025 well completions in Permian dropped to the lowest level since 2021 covid era
- Permian oil production growth at risk at today's rig activity and well completion rate

Key Operational Figures

Selected operational and financial data

(All amounts in USD per day) unless noted	1Q 2025	4Q 2024	3Q 2024	2Q 2024
Rig utilization	89.7%	90.6%	89.3%	85.9%
Rig metrics per day:				
Direct margin	11,012	10,932	10,643	9,879
Operation and SG&A allocation	2,391	2,415	2,370	2,374
Maintenance and capex allocation	713	1,054	786	379
Net cash flow margin	7,908	7,463	7,487	7,126
Operating costs (1)	14,406	14,899	15,356	15,710
Cash break even, working rigs (2)	17,510	18,368	18,054	18,463
Direct stacked cost per day	10,364	12,052	9,800	10,250
Reimbursements of "out-of-pocket" expenses (000's)	2,405	2,549	3,176	2,723

(1) Excludes reimbursements for "out-of-pocket" expenses

(2) Excludes reimbursements for "out-of-pocket" expenses. Excludes operating costs of rigs not active

- Higher net cash flow margin due to lower operating expenses in Q1
- Expect slightly higher R&M expense run rate ahead

Income statement

(All amounts in USD 1000s)	1Q 2025	4Q 2024	3Q 2024	2Q 2024
Total Operating Income	25,786	26,604	26,528	24,930
Payroll Expenses	8,660	8,775	8,862	7,952
Depreciation of Tangible and Intangible Assets	1,453	4,970	4,943	4,915
Rig Mobilization, Service and Supplies	6,673	7,578	7,833	8,524
Insurance Rigs and Employees	1,877	1,601	1,499	1,300
Other Operating Expenses	1,921	2,040	2,420	2,392
Total Operating Expenses	20,584	24,964	25,557	25,083
Operating Profit (+)/ Loss (-)	5,203	1,641	970	-153
Net Financial Items	150	-26	83	126
Profit (+)/Loss(-) before Income Tax	5,352	1,614	1,053	-27
Income Tax Expense	200	1,596	353	250
Net Profit (+)/Loss (-)	5,152	19	700	-277

- Stable operating costs
- Change in useful life policy leading to lower depreciation of assets

Balance Sheet And Cash Flow Statement

Balance sheet

(All amounts in USD 1000s)	1Q 2025	4Q 2024	3Q 2024	2Q 2024
<i>Non current assets</i>				
Rigs and Accessories	54,992	55,732	59,660	63,867
Vehicles and Office Equipment	497	569	641	653
<i>Current assets</i>				
Accounts Receivable	11,111	12,339	11,965	11,223
Other Receivable	933	1,673	1,732	2,483
Bank Deposits/Cash	12,064	8,365	10,370	10,579
Total Assets	79,597	78,678	84,368	88,805
<i>Equity</i>				
Issued Capital	12,580	12,569	12,569	12,547
Share Premium	86,554	91,802	100,403	105,542
Other Shareholder Contribution	369	369	369	369
Other Equity	-40,852	-46,004	-46,023	-46,723
Total Equity	58,651	58,735	67,318	71,735
<i>Non current liabilities</i>				
Deferred Tax	5,234	5,234	4,825	4,881
<i>Current Liabilities</i>				
Accounts Payable	5,410	3,616	5,102	5,126
Tax Payable	1,981	1,781	695	287
Public Duties Payable	66	169	159	163
Other Current Liabilities	8,255	9,143	6,269	6,614
Total Liabilities	15,712	19,943	17,050	17,071
Total Equity & Liabilities	79,597	78,678	84,368	88,805

Cash flow statement

(All amounts in USD 1000s)	1Q 2025	4Q 2024	3Q 2024	2Q 2024
Net Profit (+)/Loss (-)	5,152	19	700	-277
Tax	-51	-1,113	408	-39
Depreciation of fixed assets	1,453	4,970	4,943	4,915
Change in accounts receivable	1,228	-374	-742	182
Change in accounts payable	1,792	-1,484	-24	-103
Change in other current balance sheet items	-25	2,089	412	906
Net cash flow from operational activities	9,549	4,107	5,697	5,584
Purchase of tangible fixed assets	-641	-971	-723	-345
Net cash flow from investing activities	-641	-971	-723	-345
Repayment of long term debt				
Issued capital	12		21	
Dividends	-5,220	-5,141	-5,183	-5,204
Net cash flow from financing activities	-5,208	-5,141	-5,162	-5,204
Net change in cash and cash equivalent	3,700	-2,005	-209	35
Cash and cash equivalents opening balance	8,365	10,370	10,579	10,544
Cash and cash equivalents closing balance	12,064	8,365	10,370	10,579

- Cash increased by ~\$4m due to working capital reversals

NorAm Drilling - Summary

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Modernized Ultra Super Spec rigs

Fully upgraded with state-of-the-art walking systems and racking capacity, with a track record of drilling the longest wells in the Permian

100%

Permian focus

Strategically positioned to unlock untapped oil reserves by employing the latest horizontal drilling technology



Industry low cost break-even

Lean management team, skilled labor and low employee turnover leads to optimized costs and operations

22%

Debt free and full payout strategy

Monthly dividends with total cash distributions of ~NOK19 per share since December 2022. Latest monthly distribution implies annualized yield of ~22%

Top quality customer portfolio

ConocoPhillips

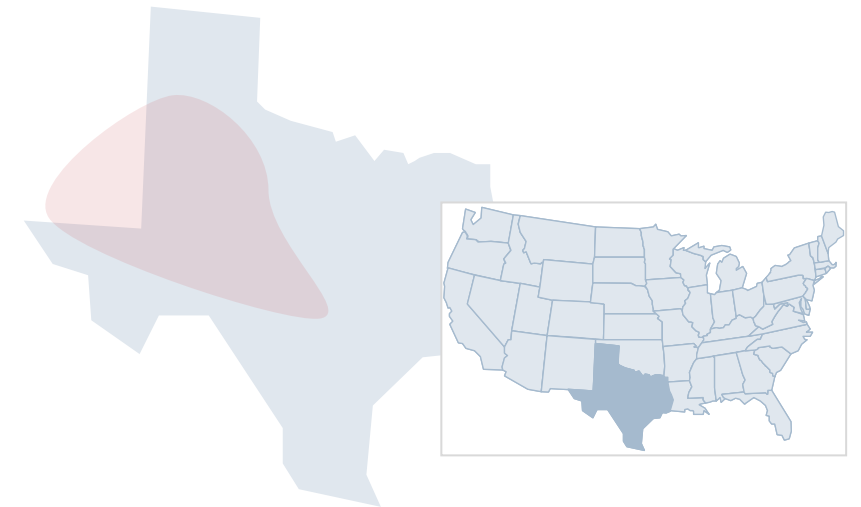
FireBird
Energy II LLC

OXY

DOUBLE EAGLE

PERMIAN
RESOURCES

The Permian holds the largest energy reserves in the U.S





Q&A

**Please use the raise hand function
to ask a question. Thanks**