



# Q2 2025 Presentation

August 26, 2025



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# Q2 2025 Highlights

## Revenue

- \$24.9 million in Q2 vs. \$25.8 million in Q1 2025

## Utilization

- 86.0% utilization in Q2 vs. 89.7% in Q1 2025

## EBITDA

- Adj. EBITDA of \$5.3 million in Q2 vs. \$6.7 million in Q1 2025

## Net results

- Profit after tax of \$3.7m
- Earnings per share of \$0.08

## Backlog

- Backlog of \$12.2 million as of August 25, 2025

# Recent Events and Outlook

## Monthly cash distributions

- 33 consecutive monthly distributions, totaling \$82.2m or NOK ~20.05 per share
- Latest distribution of \$0.03/sh implies 13.5% dividend yield p.a.<sup>(1)</sup>
- We intend to continue to payout excess earnings

## Fleet status

- 9 out of 11 rigs contracted
- Pursuing opportunities for the two idle rigs, including outside of Permian

## Stable near term outlook

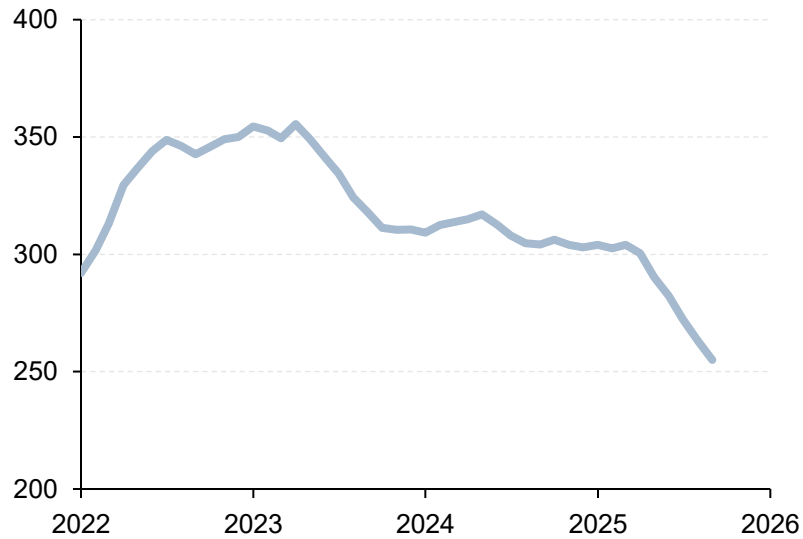
- Uncertainties associated with potential US tariffs and OPEC+
- E&Ps remain focused on operational and capital discipline
- Current WTI prices suggest flat to slightly down activity levels in Permian
- US shale production likely peaking causing longer term optimism for Super Spec rigs

Note: (1) Based on NorAm Drilling's closing share price of NOK 26.9 and a USDNOK rate of 10.07 as of August 25, 2025

# Rig Count Decline Indicates Lower Production Ahead

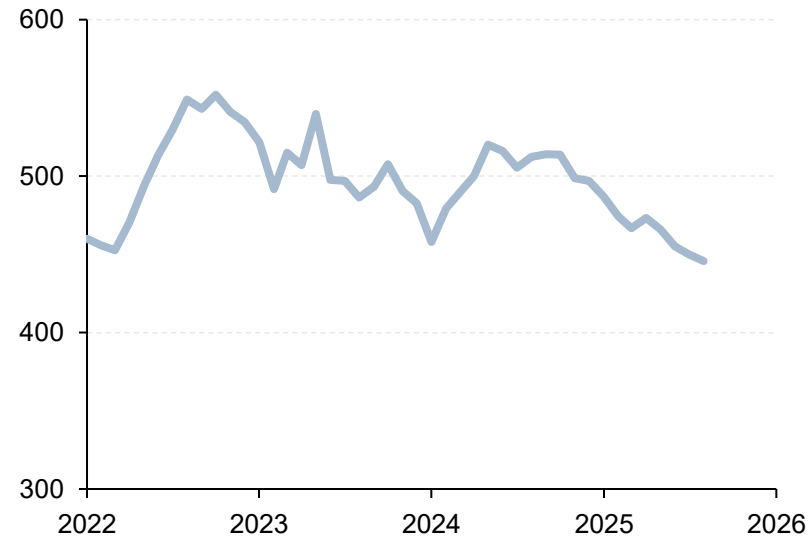
## Rig Count dropping in Permian...

# of rigs working in Permian



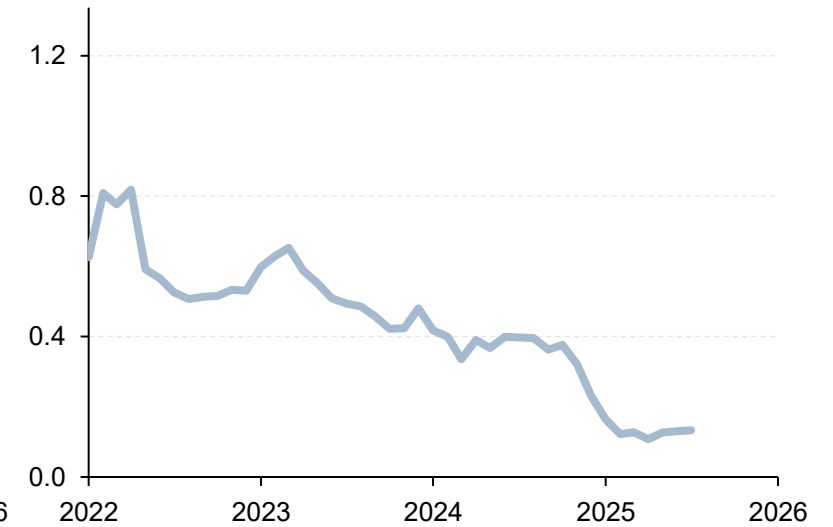
## Leading to fewer well completions...

# 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 ~50 rigs YTD and down 100 rigs since 2023
- Subject to WTI prices, bottom for Permian rig counts likely happening soon
- Super Spec rigs continue to be the “rig of choice”

# Key Operational Figures

## Selected operational and financial data

(All amounts in USD per day) unless noted	2Q 2025	1Q 2025	4Q 2024	3Q 2024
Rig utilization	86.0%	89.7%	90.6%	89.3%
Rig metrics per day:				
Direct margin	9,602	11,012	10,932	10,643
Operation and SG&A allocation	2,325	2,391	2,415	2,370
Maintenance and capex allocation	448	713	1,054	786
Net cash flow margin	6,830	7,908	7,463	7,487
Operating costs (1)	15,778	14,406	14,899	15,356
Cash break even, working rigs (2)	18,550	17,510	18,368	18,054
Direct stacked cost per day	7,344	10,364	12,052	9,800
Reimbursements of "out-of-pocket" expenses (000's)	2,091	2,405	2,549	3,176

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

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

- Q2 direct margin impacted by stacking of 2<sup>nd</sup> rig and higher R&M
- Continue to see minimal capex requirements

## Income statement

(All amounts in USD 1000s)	2Q 2025	1Q 2025	4Q 2024	3Q 2024
<b>Total Operating Income</b>	<b>24,940</b>	<b>25,786</b>	<b>26,604</b>	<b>26,528</b>
Payroll Expenses	8,366	8,660	8,775	8,862
Depreciation of Tangible and Intangible Assets	1,466	1,453	4,970	4,943
Rig Mobilization, Service and Supplies	7,244	6,673	7,578	7,833
Insurance Rigs and Employees	1,894	1,877	1,601	1,499
Other Operating Expenses	2,172	1,921	2,040	2,420
<b>Total Operating Expenses</b>	<b>21,142</b>	<b>20,584</b>	<b>24,964</b>	<b>25,557</b>
<b>Operating Profit (+)/ Loss (-)</b>	<b>3,798</b>	<b>5,203</b>	<b>1,641</b>	<b>970</b>
Net Financial Items	51	150	-26	83
<b>Profit (+)/Loss(-) before Income Tax</b>	<b>3,849</b>	<b>5,352</b>	<b>1,614</b>	<b>1,053</b>
Income Tax Expense	198	200	1,596	353
<b>Net Profit (+)/Loss (-)</b>	<b>3,651</b>	<b>5,152</b>	<b>19</b>	<b>700</b>

- R&M up in Q2 due to repairs and recertifications

# Balance Sheet And Cash Flow Statement

## Balance sheet

(All amounts in USD 1000s)	2Q 2025	1Q 2025	4Q 2024	3Q 2024
<i>Non current assets</i>				
Rigs and Accessories	53,865	54,992	55,732	59,660
Vehicles and Office Equipment	566	497	569	641
<i>Current assets</i>				
Accounts Receivable	12,421	11,111	12,339	11,965
Other Receivable	3,014	933	1,673	1,732
Bank Deposits/Cash	7,543	12,064	8,365	10,370
<b>Total Assets</b>	<b>77,409</b>	<b>79,597</b>	<b>78,678</b>	<b>84,368</b>
<i>Equity</i>				
Issued Capital	12,580	12,580	12,569	12,569
Share Premium	84,842	86,554	91,802	100,403
Other Shareholder Contribution	369	369	369	369
Other Equity	-37,200	-40,852	-46,004	-46,023
<b>Total Equity</b>	<b>60,591</b>	<b>58,651</b>	<b>58,735</b>	<b>67,318</b>
<i>Non current liabilities</i>				
Deferred Tax	5,234	5,234	5,234	4,825
<i>Current Liabilities</i>				
Accounts Payable	5,837	5,410	3,616	5,102
Tax Payable	400	1,981	1,781	695
Public Duties Payable	168	66	169	159
Other Current Liabilities	5,180	8,255	9,143	6,269
<b>Total Liabilities</b>	<b>11,585</b>	<b>15,712</b>	<b>19,943</b>	<b>17,050</b>
<b>Total Equity &amp; Liabilities</b>	<b>77,409</b>	<b>79,597</b>	<b>78,678</b>	<b>84,368</b>

## Cash flow statement

(All amounts in USD 1000s)	2Q 2025	1Q 2025	4Q 2024	3Q 2024
Net Profit (+)/Loss (-) before tax	3,849	5,352	1,614	1,053
Tax	-1,810	-51		
Depreciation of fixed assets	1,466	1,453	4,970	4,943
Change in accounts receivable	-1,310	1,228	-374	-742
Change in accounts payable	427	1,792	-1,484	-24
Change in other current balance sheet items	-1,479	-226	-619	447
Net cash flow from operational activities	1,143	9,548	4,107	5,677
Purchase of tangible fixed assets	-407	-641	-971	-723
Net cash flow from investing activities	-407	-641	-971	-723
Repayment of long term debt				
Issued capital		12		21
Dividends	-5,257	-5,220	-5,141	-5,183
Net cash flow from financing activities	-5,257	-5,208	-5,141	-5,162
Net change in cash and cash equivalent	-4,521	3,699	-2,005	-209
Cash and cash equivalents opening balance	12,064	8,365	10,370	10,579
Cash and cash equivalents closing balance	7,543	12,064	8,365	10,370

- Cash decreased by ~\$4m due to working capital reversals and Norwegian tax payments

# 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

13.5%

## Debt free and full payout strategy

Monthly dividends with total cash distributions of ~NOK20 per share since December 2022. Latest monthly distribution implies annualized yield of ~13.5%

## Top quality customer portfolio

ConocoPhillips

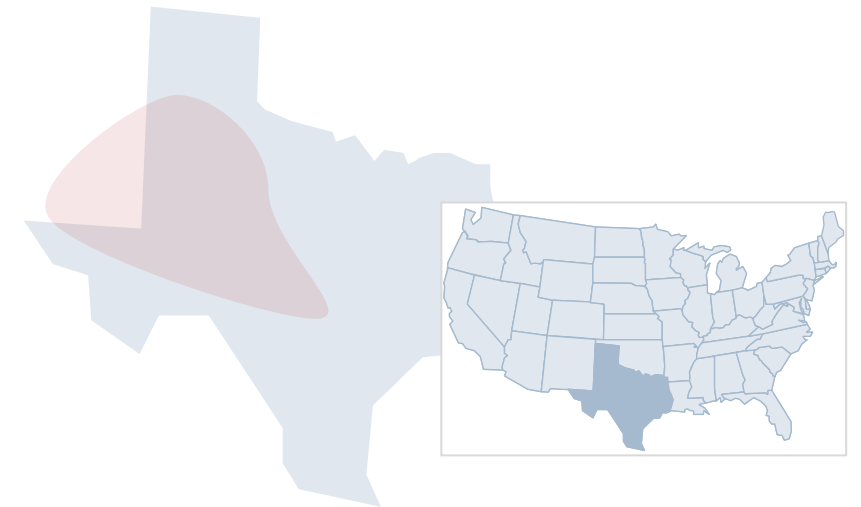
FireBird  
Energy II LLC

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**