



NORTHERN OCEAN



Company Presentation

January 2024

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The Company's business requires substantial working capital to operate successfully and substantial capital expenditures required for special periodic surveys on the rigs. The Company remains dependent on additional funding or other arrangements to meet its cash flow requirements over the next twelve months, and will consider such arrangements in light of market opportunities. There can be no assurance that such additional funding or arrangements are available at favorable terms, or at all.

At a glance



THE WORLD'S MOST SOPHISTICATED HARSH ENVIRONMENT OFFSHORE FLEET



USD 157m
3QTD 2023 revenue



Continued growth
in EBITDA expected



USD 176m
contract backlog



4.8 years
average fleet age



Supportive Sponsors³
strong shareholder base



2x
harsh-environment rigs

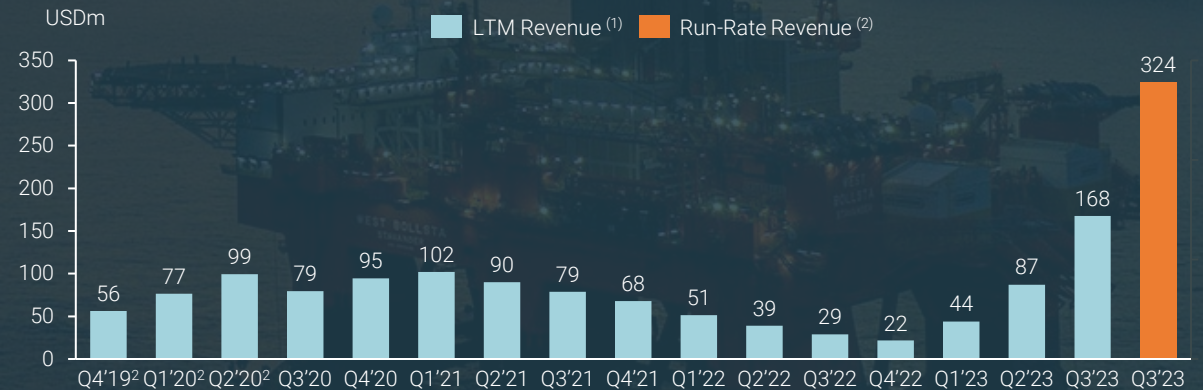


Notes: 1) Average calculations, excluding quarters without technical utilization; 2) Run-rate due to limited historical figures to calculate LTM; 3) A company indirectly controlled by trusts established by John Fredriksen for the benefit of his family

Strategically positioned in the Orange Basin, Namibia








Historical financials

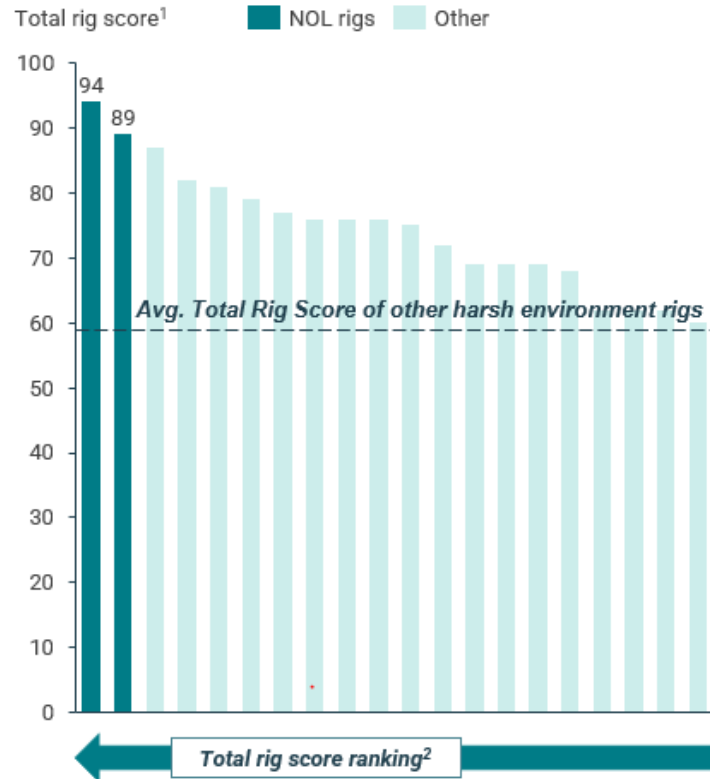


The most capable top-tier harsh environment semi-submersibles

Rig specifications

-  **Moss Maritime CS60E:** Large variable deck load and ultra deepwater capability
-  **Young fleet <5 years old:** Delivery of Deepsea Mira in 2018 and Deepsea Bollsta in 2019
-  **Automatic Drilling Control:** Digitalized drilling sequences → significant performance gains
-  **Quadruple drill pipe stands:** Higher racking capacity (less pipe connections), faster tripping
-  **Winterized:** Safe and reliant winter operations, and maintaining compliance with Drill-N class
-  **Dynamic Positioning + Moored:** DP3 + 8/12 point-mooring for operations in shallow and deepwater environments

Rystad Energy harsh environment ranking²

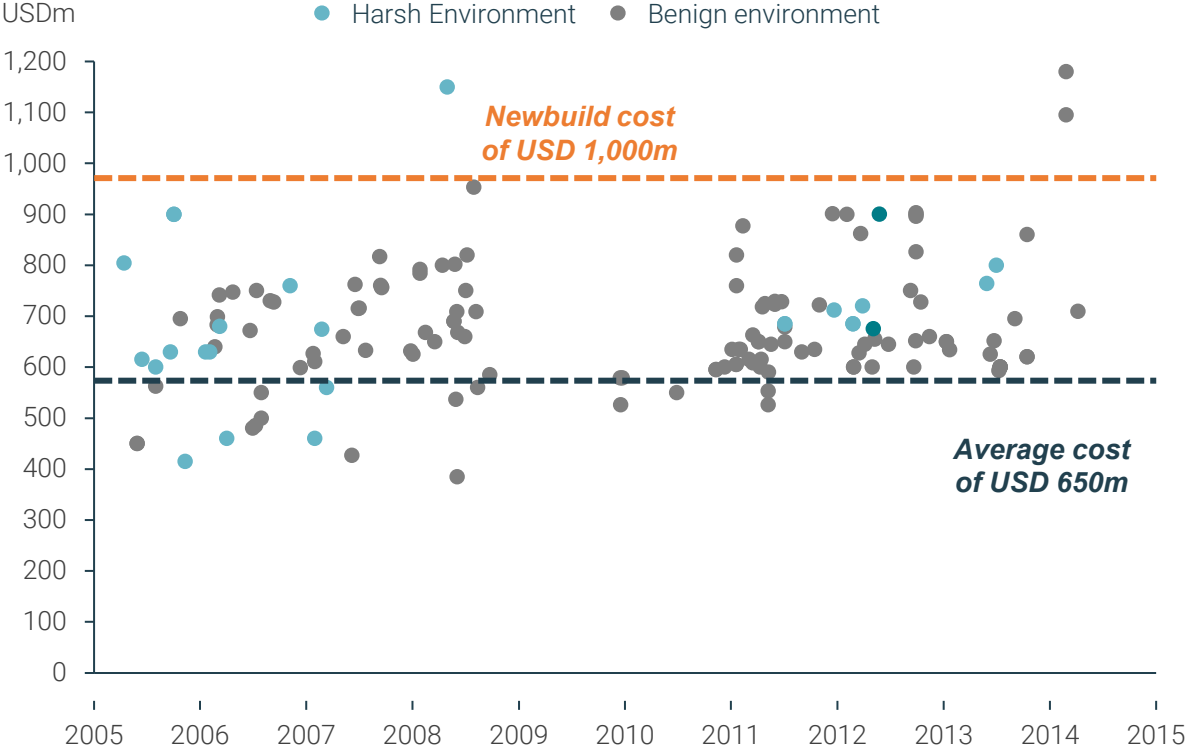


Northern Ocean's relative position

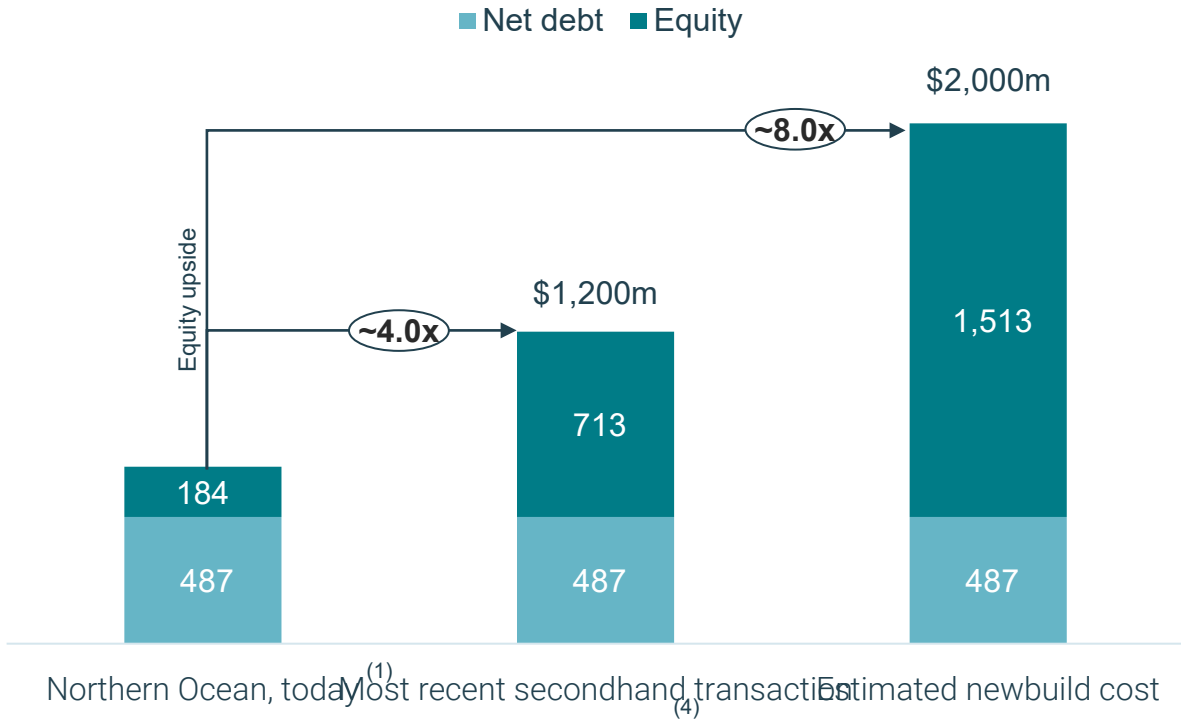
-  **Bollsta and Mira have dual BOP's and proved ability to jump well locations efficiently at ultra deep depths**
-  **Ultra deepwater capabilities to drill in water depths up to and slightly beyond 10,000 ft**
-  **High replacement cost making newbuilding unlikely... NOL rigs expected to remain top-ranked assets for many years**
-  **Licensed to drill on the Norwegian Continental Shelf, which has the toughest requirements and harshest wave and weather environments**

Equity upside built on existing investments

Historical build cost modern UDW rigs^{1,2}



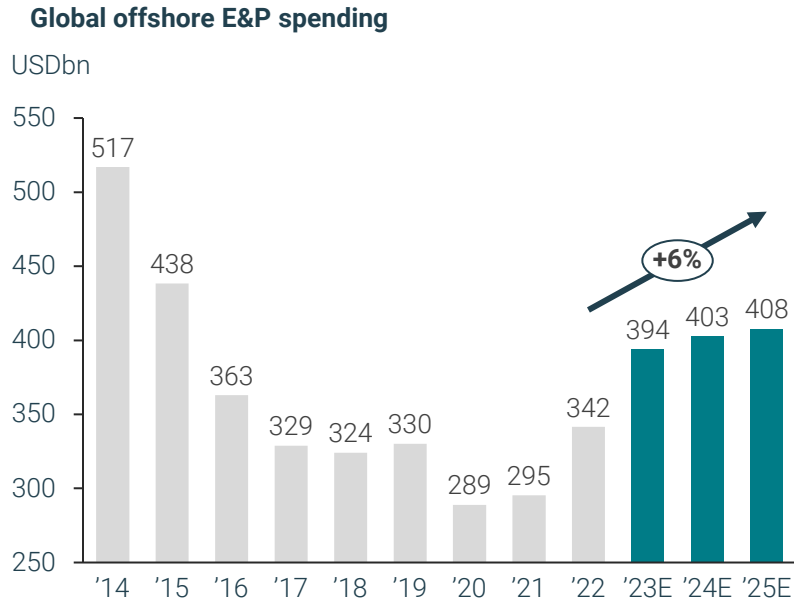
Equity upside to historical values³



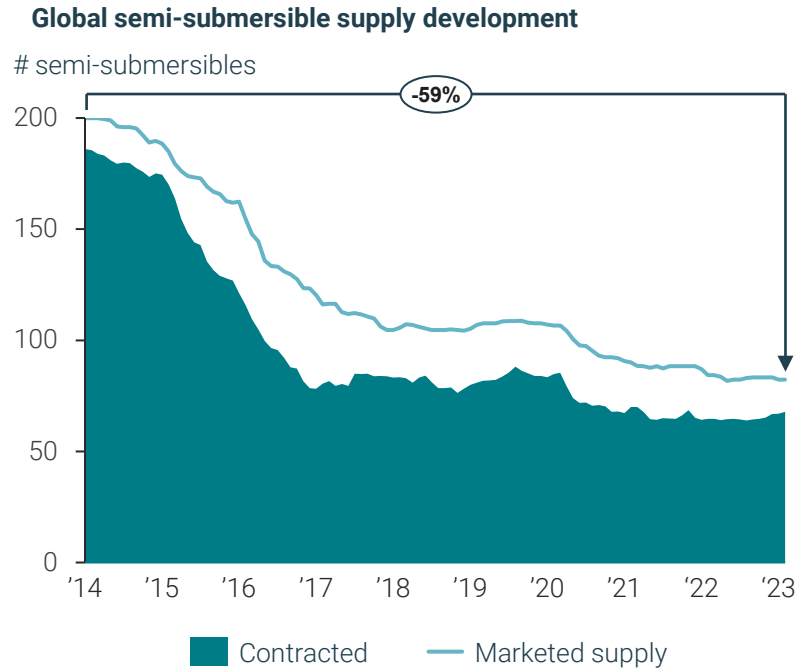
Notes: 1) Cost for Mira and Bollsta adjusted to USD 675m and USD 900m by company, cost for other rigs as per source; 6th and 7th generation rigs; UDW = water depth capabilities ≥ 7,000 feet; Harsh environment rigs are as defined by IHS Petrodata; Before cost overruns, WC and additional spares/costs; 2) Harsh environment (HE) and Benign environment (BE); 3) 3Q 2023 reported figures, net debt adjusted for net working capital incl. deferred revenues & -cost; 4) Odfjell Drilling acquired West Rigel (Deepsea Nordkapp) for USD 500m in 2017, additional USD 100m in ready-to-drill costs assumed
 Source: IHS Petrodata, DNB Markets, Fearnleys Securities

Rebounding oil and gas market driving dayrates and utilisation

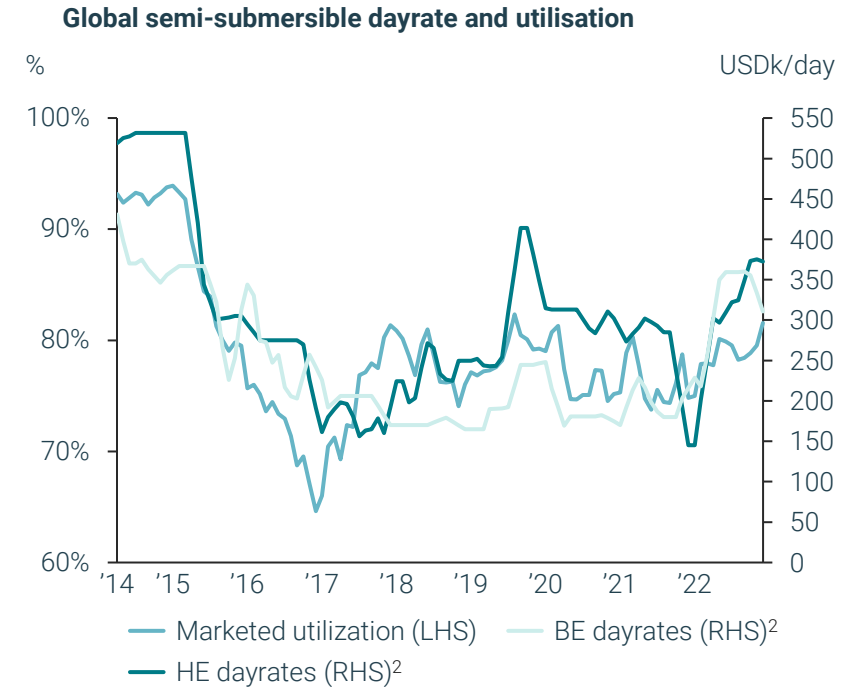
E&P spending continues to rise...



... but rig supply is almost out...



... further improving fundamentals



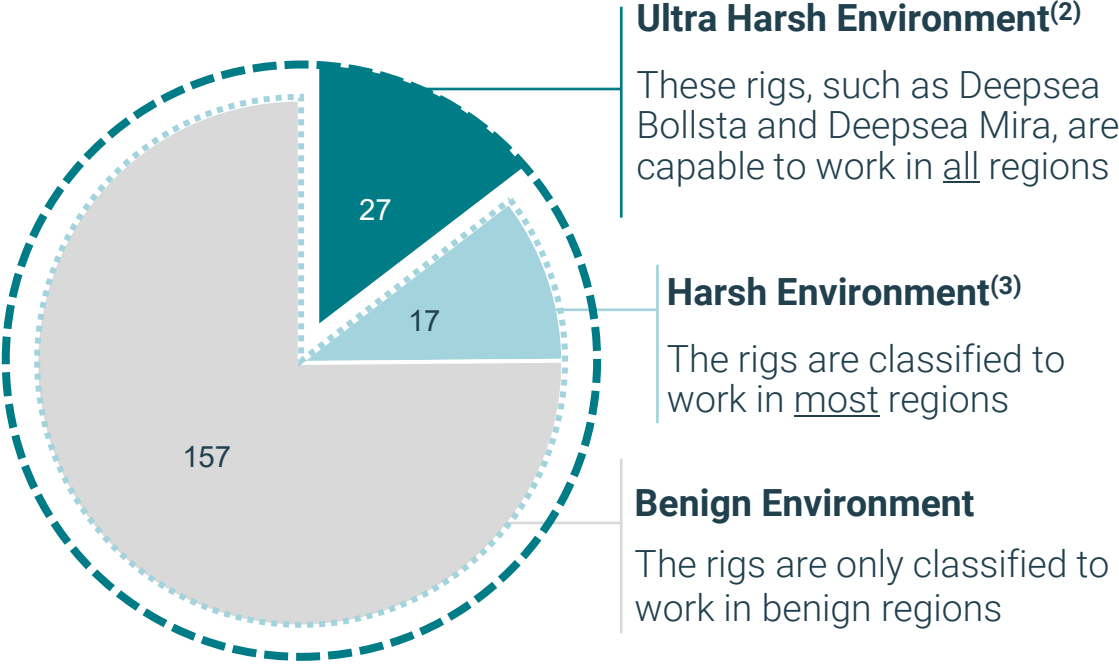
Northern Ocean can work anywhere and capitalize on regional demands

Global offshore drilling regions / basins

■ Ultra harsh environment⁽²⁾
■ Harsh environment⁽³⁾
■ Benign environment



Fleet break-down⁽¹⁾



Ultra Harsh Environment⁽²⁾
 These rigs, such as Deepsea Bollsta and Deepsea Mira, are capable to work in all regions

Harsh Environment⁽³⁾
 The rigs are classified to work in most regions

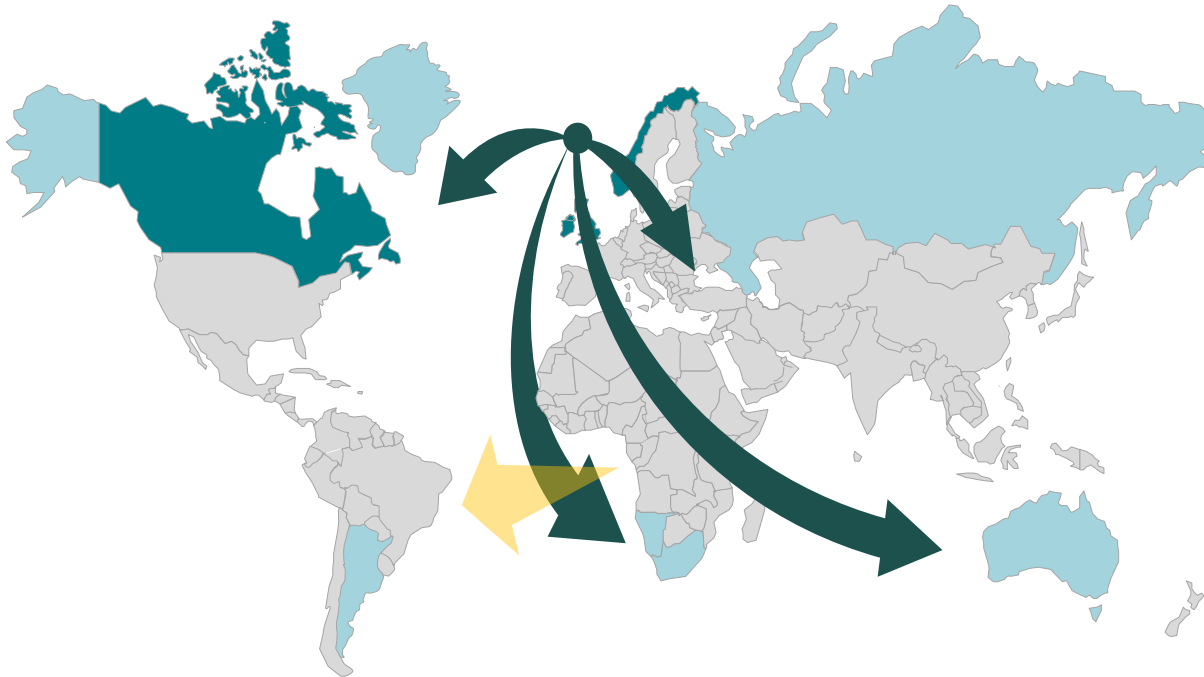
Benign Environment
 The rigs are only classified to work in benign regions

Note: 1) Delivered fleet of floaters (excluding rigs under construction); 2) Ultra harsh defined as NOR SUT/ AOC; 3) Harsh environment is other harsh regions not requiring NOR SUT / AOC or otherwise typically use an ultra harsh environment rig. Source: IHS Petrodata; The Company

The “great migration” of this cycle

Global offshore drilling regions / basins

■ Ultra harsh environment⁽²⁾ ■ Harsh environment⁽³⁾ ■ Benign environment



Top tier rigs and others relocating

Left Norway....

Deepsea Bollsta
 Deepsea Mira
 Transocean Barents⁽¹⁾
 Transocean Endurance
 Transocean Equinox
 Hercules

....Arrived in

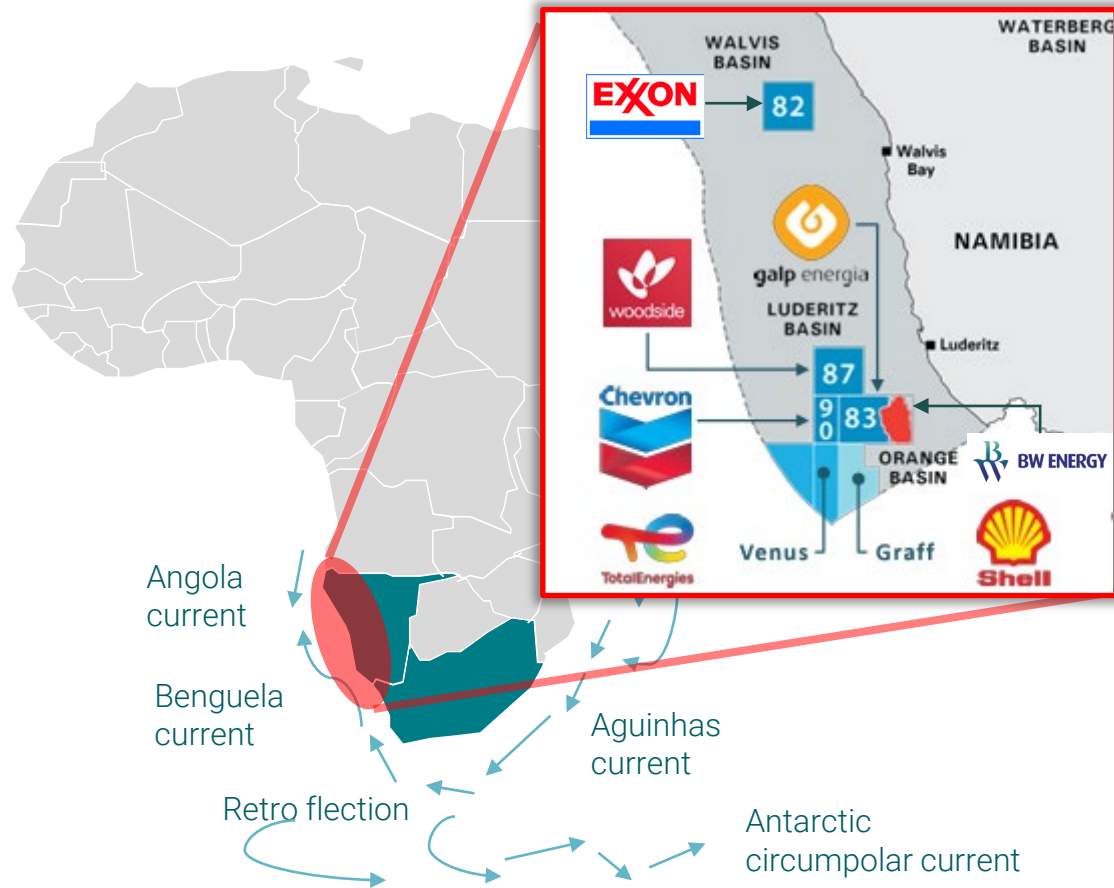
Namibia
 Namibia
 UK / Med / Romania
 Australia
 Australia
 Canada / Namibia

Competition with Drillships

- 8 drillships have left West Africa for work in Brasil
 - Recent fixtures between \$450,000 to \$500,000 per day
- 10 drillships (6 & 7 Generation) remain cold stacked today
 - Average time stacked ~6 years
 - Average age ~12 years

Namibia emerges as a significant Harsh Environment potential market

Ocean currents and rig capabilities in the south of Africa



Recent activity

Majors are ramping up exploration

- TotalEnergies, Shell and Chevron focus on the Orange basin
- Exxon is in the north, Walvis Basin

Several discoveries have been made with huge potential

- Discoveries in Venus field at least 3b-12bboe
 - Discoveries in Graff field totalling up to 11bboe
- In comparison Johan Sverdrup comprise ~2.7bboe and Guyana discoveries ~10bboe

Well suited for Mira & Bollsta

- Strong currents vary year-round
- Wave swell heights up to 9 meters last winter
- Water depths up 3,150 meters require greater hook load and drawworks

Semi-submersibles outperform drillships in harsh environment

The preferred drilling asset for harsh environment drilling operations

Proving capabilities of our Rigs

- Drilling at ultra deepwater depths
Mira ~3,000 meters
Bollsta ~2,600 meters
- Completed complex in-field transit between well locations
- Stayed on location and connected in extreme swell conditions



Key advantages over drillships

- 1 Stability:** A semi-submersible drilling rig offer better stability in harsh weather conditions. Partially submerged hulls create a lower center of gravity resulting in less motion in waves and rough sea compared to drillships
- 2 Station-keeping:** Due to enhanced stability, semi-submersible drilling rigs have superior qualities to maintain a stable position over a well, thanks to their dynamic positioning systems and thrusters
- 3 Mooring:** Lower fuel consumption and regarded as advantageous over dynamic positioning for development drilling
- 4 Deck geometry:** The design of the semi-submersible allows for larger deck space around the moonpool and drilling string
- 5 Drilling depth:** Better performing assets in complex harsh environment deep water drilling operations

Industry leading semi-submersible operator in Odfjell Drilling

Trusted brand with a solid reputation



- ✓ Public company listed on the Oslo Stock Exchange since September 2013
- ✓ Proven capabilities to deliver ahead of schedule and without operational incidents in the harshest conditions



Fleet of 8 units

- ✓ Owns 4 and manages 4 other¹ efficient, high specification, harsh environment units with deepwater or ultra deepwater capabilities



50 years of experience

- ✓ Proven track record and drilling expertise
- ✓ Long-standing relationships with the most reputable names in the industry

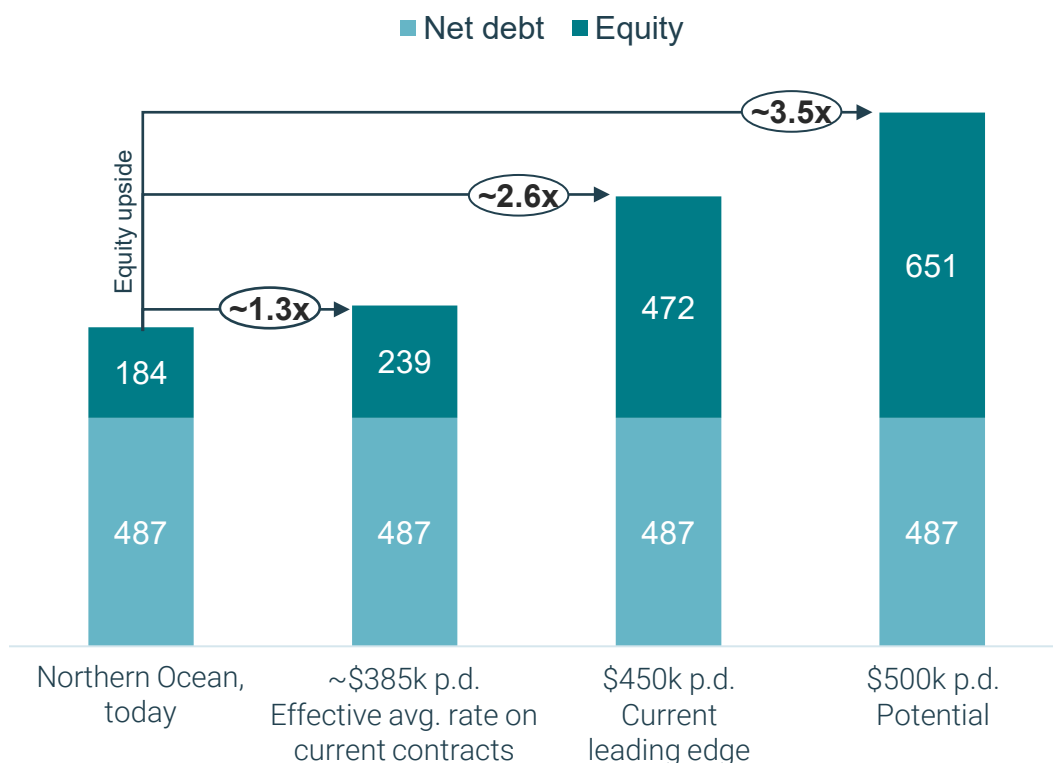


~1,400 employees

- ✓ Large organisation with a long-standing policy to maintain key industry knowledge in-house

Significant upside potential as contracts reprice with current dayrates

Equity upside at 5x EV/EBITDA ⁽¹⁾



Recent fixtures support

- New contracts in Latin America (non-Brasil) \$470,000's
- New contracts in Brasil \$450,000 to \$500,000
- Extensions in Brasil, Nigeria and Angola in \$400,000's
- Extensions in US Gulf of Mexico \$470,000's

Several other tenders outstanding for 7th Generation drillships, 6th Generation drillships and benign semisubmersibles, which will further tighten supply



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