

COMPANY ANNOUNCEMENT

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Maersk Drilling releases H1 2022 interim financial report: Strong operational performance and continued strategic and financial progress

Today, the Board of Directors of The Drilling Company of 1972 A/S ("Maersk Drilling") has adopted the interim financial report for the first half of 2022 (H1 2022):

Performance highlights for Q2 2022 (Q1 2022 in brackets)

- Revenue of USD 284m (USD 248m)
- Contracted days were 1,414 (1,158) resulting in a utilisation of 87% (68%)
- Average day rate of USD 201k (USD 214k)
- Financial uptime of 98.7% (98.8%)
- Secured contracts with a total contract value of USD 160m (USD 357m)
- Revenue backlog of USD 2.0bn at 30 June 2022 (USD 2.1bn at 31 March 2022). Forward contract coverage for the remainder of 2022 of 78% and 32% for 2023

Financial performance for H1 2022 (H1 2021 in brackets except otherwise stated)

- Revenue of USD 532m (USD 614m)
- EBITDA before special items of USD 95m (USD 163m)
- Cash flow from operating activities of USD 41m (USD 94m) equal to a cash conversion of 49% (62%)
- Capex of USD 67m (USD 36m)
- Free cash flow of negative USD 50m (positive USD 22m)
- Net debt of USD 555m (31 December 2021: USD 505m) and leverage of 2.0x (31 December 2021: 1.5x)
- Liquidity reserves of USD 614m (31 December 2021: USD 957m), including an undrawn revolving credit facility of USD 400m (31 December 2021: USD 400m)

Guidance 2022

The full-year guidance for 2022 as published on 11 February 2022 is maintained:

- Profit before depreciation and amortisation, impairment losses/reversals and special items (EBITDA before special items) is expected to be in the range of USD 210-250m
- Capital expenditures are expected to be in the range of USD 120-140m

Profitability guidance for 2022 is partly secured through the current contract backlog and reflects ordinary operational uncertainties including general rig performance and uncertainties regarding the exercise of options and contract extensions for execution in 2022.

The Drilling Company of 1972 A/S

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Company registration no. 40404716
ISIN: DK0061135753
Ticker: DRLCO

www.maerskdrilling.com

CEO Jorn Madsen quote

"I am very pleased with our strong operational performance in the first half of 2022. A market recovery is now materialising, especially in the floater segment, and our financial guidance for the full year is maintained. I am proud that our innovative approach to sustainability has resulted in tangible improvements in our sustainability performance, and I have nothing but praise for our employees across the organisation and their diligent efforts to ensure that Maersk Drilling will be entering the planned merger from a position of strength."

Webcast

In connection with the release of the H1 2022 interim financial report, a conference call for investors and analysts is scheduled today at 10:00 (10:00 a.m.) CEST. On the call, CEO Jorn Madsen and CFO Christine Morris will present the H1 2022 interim financial report. The presentation will be followed by a Q&A session.

The conference call can be followed live via webcast [here](#).

The presentation slides for the conference call will be available beforehand [here](#).

A replay of the conference call will be available afterwards on the [Investor Relations site](#).

For further information, please contact:

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