



HALF YEAR 2024

Awilco Drilling PLC is a North Sea Drilling Contractor listed at the Oslo Euronext Growth under the ticker code AWDR.

Half Year Report – Main Events

- The Company entered into a Settlement agreement with KFELS and RigCo to settle all claims, disputes and amounts owing from the B379 and B382 rig building contracts
- Settlement funds of USD 57 million were received
- The end date for the exercise period of the issued warrants was set to 27 September 2024

Key financial figures:

In USD million, except EPS

USD million	H1 2024	H1 2023	2023
Contract revenue	-	-	-
Operating expenses	-	-	(0.0)
EBITDA	(1.0)	(11.2)	111.5
Net profit/(loss)	64.8	(11.1)	111.6
EPS profit/(loss)	4.43	(2.47)	12.10
Total assets	57.8	2.8	1.9
Total equity	57.8	(138.0)	(7.0)

Financial Results – Half Year, 2024

Comprehensive Income Statement

Awilco Drilling ('the Company') reports a total comprehensive profit for the first half of 2024 of USD 64.8 million.

There was no revenue earned in the first half of the year.

In the first half of the year Awilco Drilling had general and administration expenses of USD 1.0 million.

Other financial items show a credit of USD 65.8 million. This was due to the settlement agreement of USD 57 million and settlement of intercompany amounts of USD 8.8 million.

Profit before tax was USD 64.8 million. There was no tax expense for the first half of the year resulting in a net profit of USD 64.8 million. EPS for the first half of the year was USD 4.43.

Statement on financial position

As of 30 June 2024, total assets amounted to USD 57.8 million. At the same date, Awilco Drilling had USD 57.4 million in cash and cash equivalents.

Funding

The Company has a cash balance at the end of the first half of the year of USD 57.4 million and no funds were drawn from the USD 2.0 million short-term shareholder loan facility with Awilhelmsen Offshore AS and QVT. The shareholder loan was redeemed on 7 August.

During 2023, 10,149,440 shares were issued. In connection with this share issue, investors received one non-transferable warrant for each allocated offer share. Each warrant gives the investor the right, but not obligation to subscribe at a price of NOK 1. If all warrants are exercised, at the end of the exercise period on 27 September 2024, further funding of NOK 10,149,440 will be received. All the new shares will be issued at the same time after the exercise period has ended.

Future developments

As always, the Company is exploring alternative investments to enhance shareholder values. However, investment of capital into new business opportunities will need to have potential for substantial increase of shareholder values to be preferred over capital payout.

Organisation

At the end of Q2 2024, Awilco Drilling's Aberdeen based employees numbered 4. The Awilhelmsen Group continues to supply some support personnel via a management agreement.

Statement of Responsibility

We confirm that, to the best of our knowledge, the condensed set of financial statements for the second quarter of 2024, which has been prepared in accordance with IAS 34 Interim Financial Statements, gives a true and fair view of the Company's consolidated assets, liabilities, financial position and results of operations, and that the interim management report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

Subsequent Events

The Company has commenced a share capital reduction process in order to have sufficient distributable reserves to prepare for a capital payout. The process is expected to take approximately three months.

Aberdeen, 22 August 2024

The Board of Directors of Awilco Drilling PLC

CEO:

Eric Jacobs

Phone: + 44 1224 737900

Investor Relations:

Cathrine Haavind

Mobile: +47 93 42 84 64

E-mail: ch@awilcodrilling.com

Company background

Awilco Drilling was incorporated in December 2009 and listed on the Oslo Stock Exchange (Oslo Axess) in June 2011 under ticker code AWDR. The Company transferred to the Oslo Stock Exchange main list early September 2018 and transferred to Oslo Euronext Growth in December 2022. Awilco Drilling's headquarters are located in Aberdeen, UK.

The total number of outstanding shares of Awilco Drilling at the date of this report is 14,148,735.

www.awilcodrilling.com

Forward Looking Statements

This Operating and Financial Review contains certain forward-looking statements that involve risks and uncertainties. Forward-looking statements are sometimes, but not always, identified by such phrases as “will”, “expects”, “is expected to”, “should”, “may”, “is likely to”, “intends” and “believes”. These forward-looking statements reflect current views with respect to future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. These statements are based on various assumptions, many of which are based, in turn, upon further assumptions, including Awilco Drilling’s examination of historical operating trends. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including the competitive nature of the offshore drilling industry, oil and gas prices, technological developments, government regulations, changes in economical conditions or political events, inability of the Company to obtain financing on favourable terms, changes of the spending plan of our customers, changes in the Company’s operating expenses including crew wages, insurance, dry-docking, repairs and maintenance, failure of shipyards to comply with delivery schedules on a timely basis and other important factors mentioned from time to time in our report.

Condensed statement of comprehensive income

in USD thousands, except earnings per share

	YTD 30.06.24 (unaudited)	YTD 30.06.23 (unaudited)
Rig operating expenses	-	(10)
General and administrative expenses	991	11,248
Net gain on disposal of property, plant and equipment	-	12
	<u>991</u>	<u>11,250</u>
Operating loss	<u>(991)</u>	<u>(11,250)</u>
Interest income	40	66
Interest expense	-	(18)
Other financial items	65,778	143
Net financial items	<u>65,819</u>	<u>191</u>
Profit before tax	64,828	(11,059)
Tax expense	-	-
Net profit	<u>64,828</u>	<u>(11,059)</u>
Total comprehensive profit	<u>64,828</u>	<u>(11,059)</u>
Attributable to shareholders of the parent	64,828	(11,059)
Basic and diluted loss per share	4.43	(2.47)

Condensed statement of financial position

in USD thousands

	<u>30.06.2024</u> (unaudited)	<u>30.06.2023</u> (unaudited)
Trade and other receivables	0	8
Prepayments and accrued revenue	436	285
Cash and cash equivalents	<u>57,399</u>	<u>2,494</u>
	<u>57,835</u>	<u>2,787</u>
Total assets	<u><u>57,835</u></u>	<u><u>2,787</u></u>
Paid in capital	223,564	226,408
Retained earnings	<u>(165,735)</u>	<u>(364,422)</u>
	<u>57,828</u>	<u>(138,014)</u>
Shareholder loan	-	4,000
Trade and other creditors	7	1,402
Accruals and provisions	-	126,246
Current tax payable	<u>-</u>	<u>9,153</u>
	<u>7</u>	<u>140,801</u>
Total equity and liabilities	<u><u>57,835</u></u>	<u><u>2,787</u></u>

**Condensed statement of changes in equity for the period from
1st January 2023 to 30 June 2024**

in USD thousands

	Paid-in-equity	Other equity (retained earnings)	Total equity
Equity at 1 January 2023	226,408	(353,363)	(126,955)
Equity issue at 4 July 2023	5,712	-	5,712
Equity issue costs at 4 July 2023	(144)	-	(144)
Equity issue at 26 July 2024	2,364	-	2,364
Equity issue at 14 September 2024	399	-	399
Capital reduction	(11,175)	11,175	0
Total comprehensive loss to 31 December 2023	-	111,625	111,625
Balance as at 31 December 2023	223,564	(230,563)	(7,000)
Total comprehensive loss to 30 June 2024	-	64,828	64,828
Balance as at 30 June 2024	223,564	(165,735)	57,828

Condensed statement of cash flow for the period

in USD thousands

	YTD Q2 2024 (unaudited)	YTD Q2 2023 (unaudited)
Cash flow from operating activities		
Profit/(Loss) before tax	64,828	(11,059)
Depreciation	-	-
Net loss/(gain) on disposal of property, plant and equipment	-	12
Impairment	-	-
Interest cost	-	(48)
Decrease in trade and other receivables	-	(5)
Decrease/(Increase) in stock	-	-
Decrease in prepayments and accrued revenue	(25)	2,347
Decrease/(increase) in trade and other payables	(9,254)	101
Interest paid	-	(18)
Interest received	-	66
Taxation paid	-	(21)
Net cash flow from operating activities	55,549	(8,625)
Cash flow from financing activities		
Issue of loans	-	4,000
Repayment of loans	-	(1,500)
Payment of principal portion of lease liabilities	-	(261)
Net cash flow from financing activities	-	2,239
Net increase/(decrease) in cash and cash equivalents	55,549	(6,386)
Cash and cash equivalents at beginning of the period	1,850	8,880
Cash and cash equivalents at the end of the period	57,399	2,494

SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Basis of preparation

These unaudited interim condensed financial statements have been prepared in accordance with IAS 34 “Interim financial reporting”.

Significant accounting policies

The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual audited financial statements for the year ended December 31, 2023. This interim report should be read in conjunction with the audited 2023 financial statements, which include a full description of the Group’s significant accounting policies.

Notes

Note 1 - Related party transactions

in USD thousands

Transactions with Awilhelmsen are specified as follows:

	<u>YTD Q2 2024</u>
Sales	
Purchases	-
Loan Interest	-
Payables	-

Note 2 - Share capital

As of 30 June 2024 total outstanding shares in the Company was 14,618,135 with a nominal value per share of GBP 0.02. The share capital and share premium reserve below are expressed in USD at the exchange rate at time of conversion from USD to GBP.

	Shares	Par value per share	Share capital	Share premium reserve
Share capital per 30 June 2024	14,618,135	£0.02	736,540	222,827,329
Basic/diluted average number of shares, 1 January - 30 June	14,618,135			
Basic/diluted average number of shares, YTD	14,618,135			

Ranking	Shares	Ownership
AWILHELMSSEN OFFSHORE AS	7,897,748	54.0%
BNP Paribas	2,569,083	17.6%
State Street Bank and Trust Comp	1,019,000	7.0%
AKASTOR AS	998,632	6.8%
The Bank of New York Mellon SA/NV	806,896	5.5%
Skandinaviska Enskilda Banken AB	500,000	3.4%
NORDNET LIVSFORSIKRING AS	121,756	0.8%
AURORA MORSTON AS	100,772	0.7%
ANTI-GRAVITY AS	63,990	0.4%
CAMACA AS	55,455	0.4%
OLSBORG	40,905	0.3%
LOGNA AS	38,393	0.3%
REFSTIE	36,600	0.3%
CLEARSTREAM BANKING S.A.	34,144	0.2%
BUVIKTIND AS	30,000	0.2%
Citibank, N.A.	25,739	0.2%
SKYFRI VOL2	20,000	0.1%
Nordnet Bank AB	15,644	0.1%
Avanza Bank AB	13,103	0.1%
MIDDELBOE AS	12,437	0.1%
Other	217,838	1.5%
	<u>14,618,135</u>	<u>100.00%</u>