

The next episode..?

We expect a broad-based pickup in activity levels as we look into 2022 (~6-10% across main segments). Enterprise values are currently trading at implied values that are significantly lower than those observed in the second-hand market and we find most restructured/sensibly financed rig-equities to be attractively priced. In addition to medium-term demand estimates tied to oil and gas we take a sneak peek into the next decade and look at the potential for rig demand tied to offshore carbon storage.

Benign – Benefits of transformative years to be witnessed in 2022

The market for benign floaters is arguably the one that has improved the most following the pandemic. We expect a continued improvement in demand as we look into 2022 (+10%) and that operators in this market will benefit from what has been a transformative couple of post-pandemic years. Dayrates have already recovered meaningfully, and we expect these to stagnate somewhat as units from yards and stacked 7th gen capacity re-enters as supply.

Harsh floaters – Tilting towards development drilling

The harsh environment market has (as expected) held up OK through the pandemic. It is now facing a solid uptick in demand for development drilling on the NCS (fueled by temporary tax incentives) which is expected to benefit the 6th gen portion of the fleet. Further down the road we highlight the political threat tied to demand for exploration drilling on the NCS but, overall, we see upside to the current pricing of high-end harsh environment units through equities such as ODL (BUY, TP NOK 30).

Jackups – Oil price sensitive regions to drive demand in 2022

The jackup market has been trailing some of the other segments during 2021 but, given the current oil price environment, we expect a solid uptick in demand for jackups in “oil-price-sensitive” jackup regions in 2022 (SE Asia, West Africa, etc.). Overall, we expect a 6% increase in demand next year. Furthermore, we expect that the underlying and structural bifurcation trend will continue to benefit modern equipment and highlight the “fact” that the modern portion of the fleet is barely sufficient to cover even current demand.

Some clear-cut longs, and the option to take out some risk through RIG

Compared to our own valuations and those witnessed in the second-hand market, we see significant upside to the pricing of UDW units through equities. Albeit subject to the values of jackups relative to UDW units (~2.5x in our calculations), we now estimate implied values through liquid equities to be USD ~125-130m. This compares to datapoints in the second-hand market of USD ~250m, implying a discount of nearly 50% to GAV from where equities are trading. Based on a positive development in fundamentals and continued support from firm datapoints we raise our valuation of most asset classes, and target prices for rig equities with them. We highlight VAL and NE/DRLCO as top picks - TP of USD 65 for VAL and 37 for NE - and reiterate that some market exposure can be taken out through a loftily priced RIG.

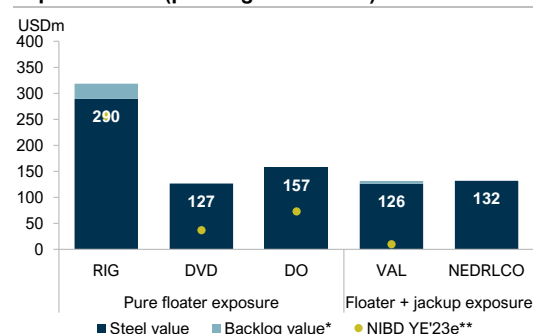
CCS – Potential incremental demand for ~130 rigs by 2030/35?

In order to enable geologic storage of carbon, which to an increasing degree is viewed as necessary to reach Net Zero Emissions by 2050, it is necessary to drill holes in the ground and, in order to drill holes in the ground, you need drilling rigs. There is a significant amount of uncertainty tied to both (i) the volume of wells needed to enable required carbon storage and (ii) the locations at which these wells will be drilled (on/offshore, shallow/deep-water, harsh/non-harsh, etc.). However, given the potential magnitude of incremental demand that could come with CCS, we argue that this market is worthwhile keeping an eye on and that this market could carve out a place for drilling rigs in the energy transition.

Sector

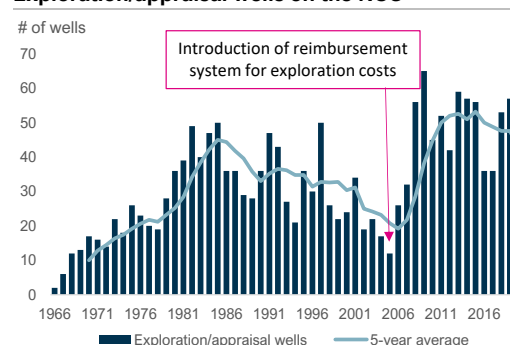
Rig

Implied values (per 7th gen – YE'23e)



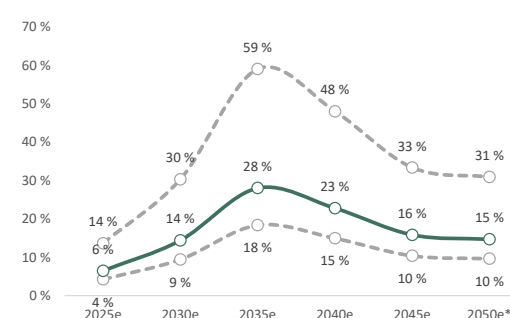
Source: Pareto Securities Equity Research, FactSet

Exploration/appraisal wells on the NCS



Source: Pareto Securities Equity Research, NPD

Potential “CCS-demand” relative to present rig dem.



Source: Pareto Securities Equity Research, IEA

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Key metrics, recommendations, and implied values

Target prices and key metrics

	Market cap	NIBD YE'21*	EV YE'21e (adjusted)*	7G equivalents	Premium JU equivalents	Floater as % of GAV***	Jackups as % of GAV***	LTV * **
VAL	2 562	63	2 625	21	54	53 %	47 %	1%
NE	1 921	(231)	1 690	12	31	69 %	31 %	(8)%
DRLCO	1 458	612	2 070	13	32	47 %	53 %	19%
NEDRLCO	3 379	381	3 760	25	63	58 %	42 %	6%
DO	500	409	909	6	n/a	100 %	0 %	28%
RIG	1 808	7 667	9 475	29	n/a	100 %	0 %	80%
ODL	455	996	1 451	7	n/a	86 %	0 %	52%

	EBITDA backlog as % of GAV**	Operational leverage	Share price (local)	TP (local)	Upside/ downside	NAV/ share (local)	P/NAV	Rec.
VAL	16 %	Medium	34	65	90 %	65	0,5x	Buy
NE	16 %	Medium	23	37	60 %	39	0,6x	Buy
DRLCO	11 %	Medium	231	391	69 %	385	0,6x	Buy
NEDRLCO	13 %	Medium	23	37	60 %	37	0,6x	n/m
DO	15 %	Medium	5,0	9,6	93 %	9,6	0,5x	Buy
RIG	58 %	Low	2,9	1,2	-59 %	1,2	2,5x	Sell
ODL	25 %	Low	17,5	30	72 %	31	0,4x	Buy

*Adj. for warrants, non-cash value elements, remaining capex, etc.

**V = DCF backlog + fully operational fleet, adj. est reactivation cost etc.

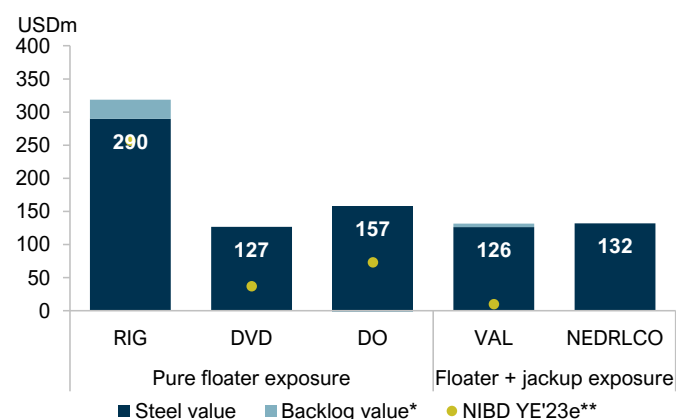
***Not adj. for reactivation and backlog. GAV representative of fully operational fleet

Note: NEDRLCO is the assumed combination of DRLCO and NE. We base our target prices in NE and DRLCO on the NAV in the combined company | ODL:

Remaining portion of ODL's GAV is tied up in Energy and Well Services

Source: Pareto Securities

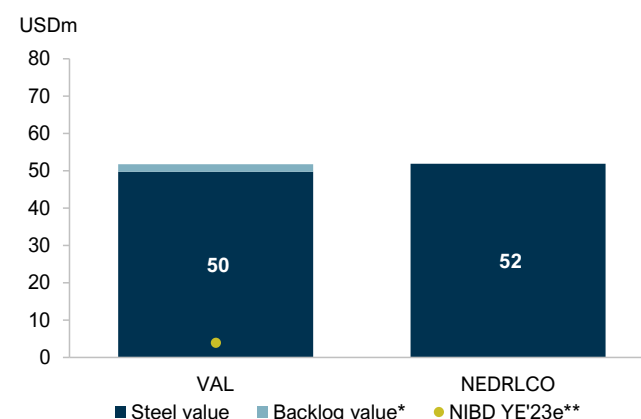
Implied values per 7th gen UDW equivalent – YE'23e



*Adj. for alternative cost of backlog (market rates)

Source: Pareto Securities, FactSet

Implied values per premium JU equivalent – YE'23e



**Adj. for estimated reactivation capex, warrant structures etc to be representative of fully invested EV.

Source: Pareto Securities, FactSet

Estimates and valuation summaries

Odfjell Drilling - [Link](#)

Valaris - [Link](#)

Noble Corp. and Maersk Drilling combined - [Link](#)

Transocean - [Link](#)

Diamond Offshore - [Link](#)

Benign floaters

Meaningful improvement in dayrates from pre-covid levels and pickup in activity into 2022

Dayrates in the benign floater market has improved meaningfully from pre-pandemic levels and we expect rig companies to reap the fruits of a few transformative years as we look into 2022. However, contract economics have reached a level where reactivations and delivery of stranded assets has become attractive, and we expect dayrates to consolidate somewhat before being able to move higher. Overall, equities are priced well below our rig valuations and values in the second-hand market and we see several interesting opportunities through equities.

Improving dayrates, but incremental supply is an overhang

Transformative couple of years for rig companies

Dayrates have improved meaningfully since they bottomed out in the aftermath of the pandemic. Furthermore, the pandemic started a chain of events that has led to 2020 and 2021 being a transformative period for the industry which has included (1) a wave of restructurings and equitization of debt, (2) a significant reduction in supply (~16% so far) and (3) a meaningful consolidation of the supply side. Consequently, this has led to improved discipline in the benign floater market and, despite demand still being somewhat lower than in 2019, dayrates are up ~10% vs. pre-covid levels.

Entering a consolidation phase for dayrates in UDW market

Going forward we expect dayrates to consolidate somewhat as incremental supply comes back into the market (stacked 7th gen capacity and yard units) before moving one leg higher into an assumed recovery scenario in 2025.

Historical dayrates for premium UDW equipment and PAS estimates



Source: Pareto Securities

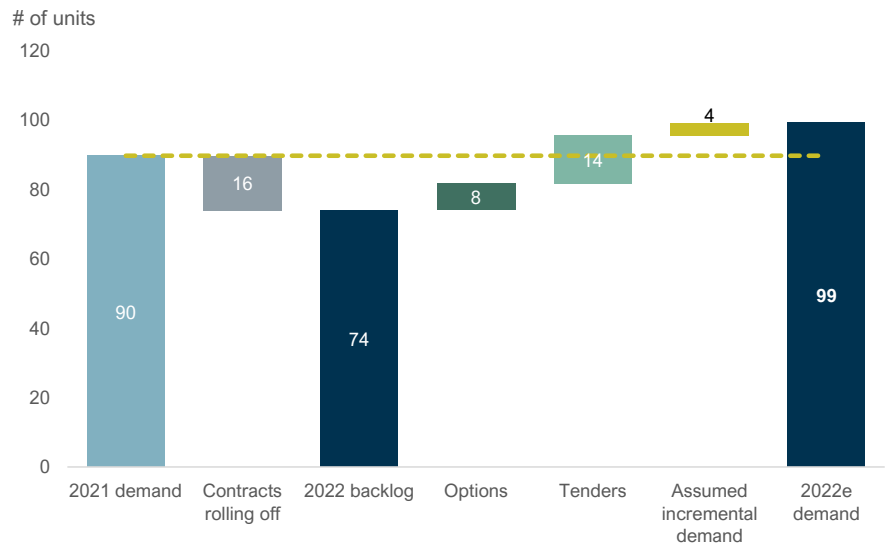
- 1) The first assumed leg up in dayrates is well backed by firm datapoints in the market and a USD 250'/day level is increasingly visible to both the industry and financial markets.
- 2) There is still a number of 7th gens that are cold or at yards. Several of these are likely to act as incremental supply and we expect dayrates to consolidate around USD ~270'/day before being able to move through the incremental supply-hurdle provided by stacked/stranded assets.
- 3) A continued move higher is contingent upon a continued normalization in demand into the mid-20's.

Pathway to ~10% increase in demand into 2022..

Momentum in demand and a visible path to a balanced market

Demand for benign floaters has recovered through 2021 and, based on firm contracts and visible demand tenders in the market, a continued uptick in activity levels is expected into 2022. We estimate an average demand for benign floaters to come in at ~100 units through 2022. This includes ~4 rig years of demand that is not related to tenders or pre-tenders and this incremental demand is largely allocated to “black-box” regions with low demand visibility (China, SE Asia, Caspian Sea). Overall, a 10% increase in demand is expected in the benign environment floater market as we look into next year.

Bridge to 2022 demand estimate

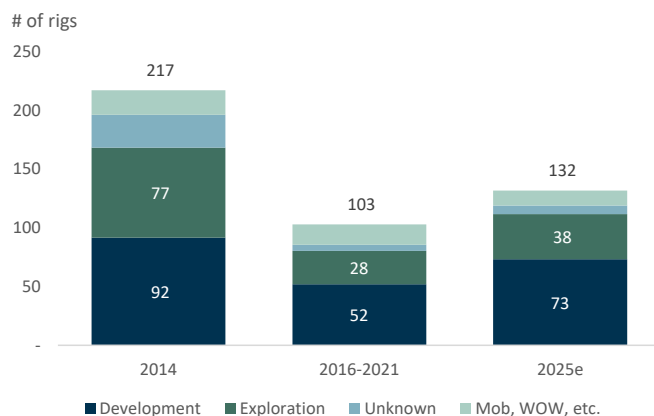


Source: Pareto Securities, IHS-Petrodata

.. and recovery demand of ~130 units

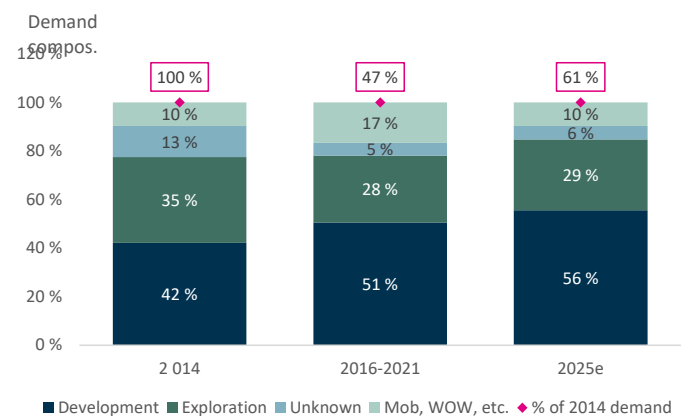
Looking further down the road, we estimate a recovery demand of ~130 units in 2025. This estimate is based on an assumed unchanged number of development wells from 2014 levels, but that these are drilled ~20% faster (efficiency gains). Furthermore, exploration demand is assumed to recover somewhat from trough levels, but to remain well below historical highs. Assuming a 20% efficiency gain also for exploration, the implied underlying activity drop is ~38%.

Demand estimate split by type



Source: Pareto Securities, IHS-Petrodata

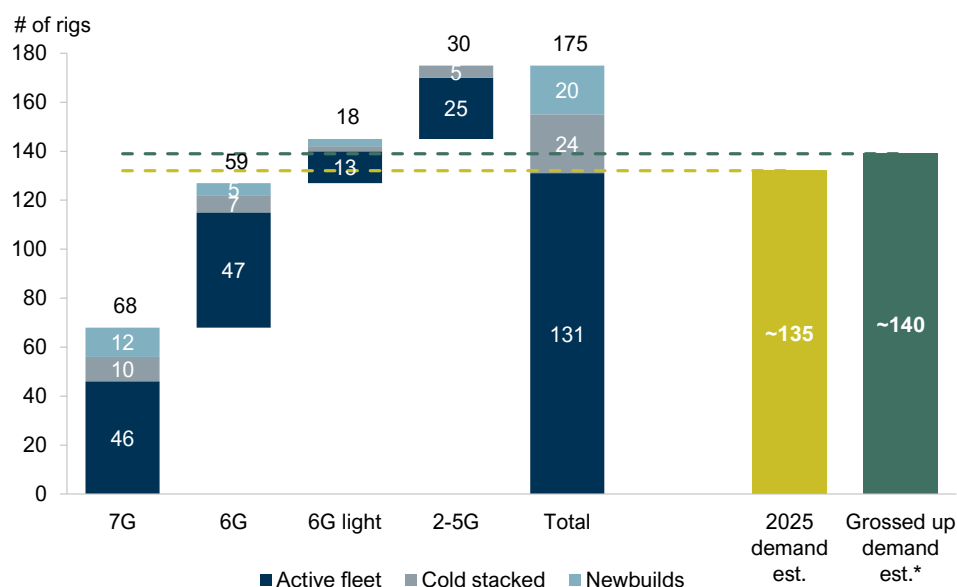
Demand composition



Source: Pareto Securities, IHS-Petrodata

In addition to demand and exploration assumptions we assume mobilization, waiting on weather (WOW) and non-drilling activities that are covered by standard contracts to stand for ~10% of overall demand. This is in line with 2014 figures and is likely somewhat conservative, due to a lower baseline from active drilling, as witnessed by the ~17% between 2016 and 2021. Overall, this gets us to a recovery estimate of ~130 units under contract in 2025.

Supply composition vs. estimated recovery demand



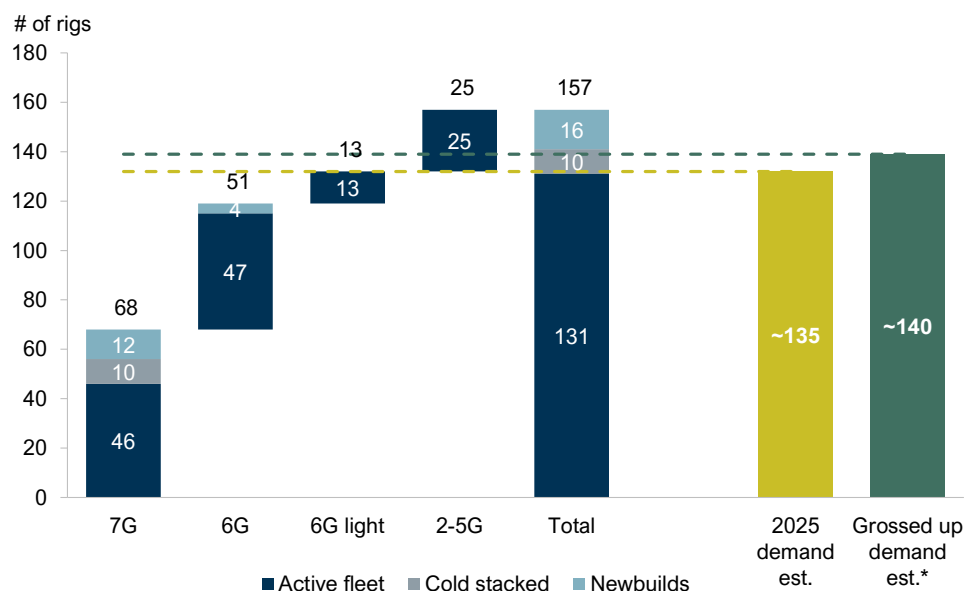
*Our demand estimates are based on units under contract (actually working and receiving dayrates). Even in the tightest markets ever seen, utilization for the fleet is "only" ~95%, as measured by units under contract (as opposed to contracted). As such, a minimum of 140 units is required to cover our recovery demand

Source: Pareto Securities

Some scrapping is still needed to balance the market..

Compared to current supply, including newbuilds, our demand estimate would equate an overall fleet utilization of ~80%. However, we argue that it is fair to assume that all existing capacity, with the exception of 7th gen., that is currently cold stacked should be scrapped. This capacity is largely held by listed industrial players that are in a consolidation phase and these are all interested in a disciplined supply side. Furthermore, we argue four units at yards unlikely to ever be delivered, leaving us with ~157 units in the market.

Supply composition vs. estimated recovery demand



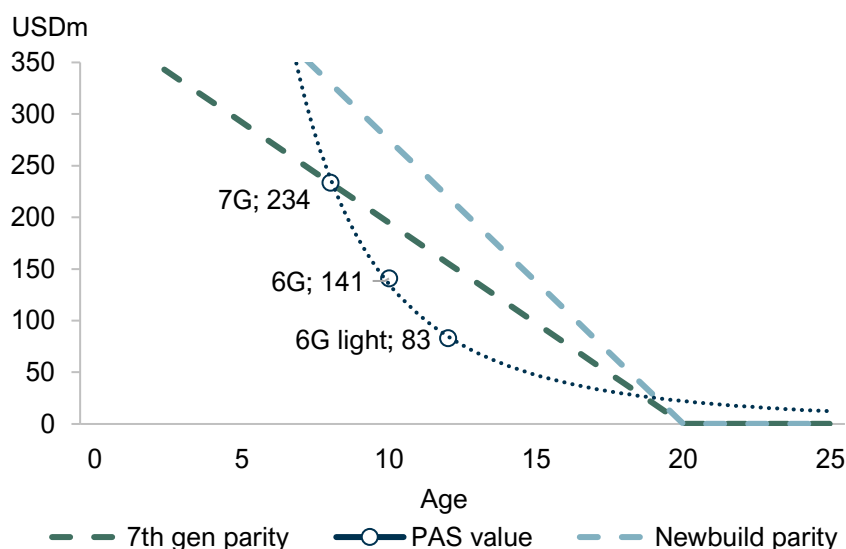
*Our demand estimates are based on units under contract (actually working and receiving dayrates). Even in the tightest markets ever seen, utilization for the fleet is "only" ~95%, as measured by units under contract (as opposed to contracted). As such, a minimum of 140 units is required to cover our recovery demand

Source: Pareto Securities

.. but pathway to 90% utilization is visible on our demand estimates

As such, compared to our recovery estimate, there is only a need to retire ~17 units (most likely legacy equipment) – on top of those we find to be very plausible scrapping candidates – in order to balance the market at a ~90% utilization level. There is obviously risk to our demand estimate, but the significant scrapping effort seen in recent years has paved the way for a very plausible normalization of this market within a few years' time.

Pareto Sec. valuation of benign floaters



Source: Pareto Securities

Convexity in valuation due to higher risk for 6th gen vs. 7th gen

Although our recovery estimates imply an overall demand that covers the entire modern fleet (6th gen light and above), there is inherently lower risk for the highest spec. capacity. As such, our valuation of 6th gen equipment continues to be at a significant discount to what a linear depreciation based on age would entail.

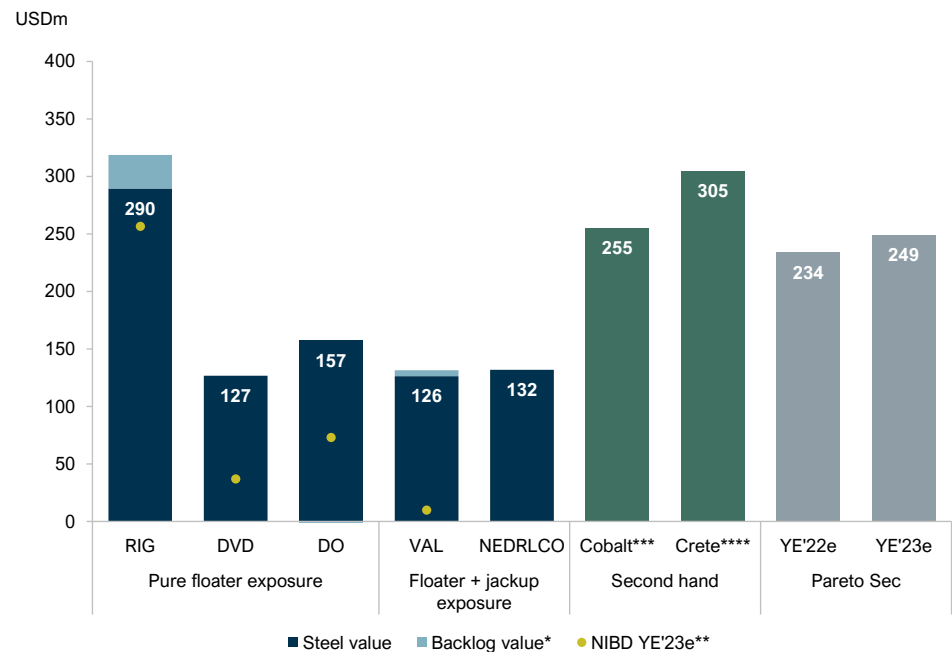
Dayrate and utilization assumptions with concurrent NPV and asset valuation at WACC 15%

	Asset assumptions				2023e		2024e		2025e		2026e		2027e		Long t. market	
	NPV (USDm)	Opex	SG&A	Tax rate	DR	Util.	DR	Util.	DR	Util.	DR	Util.	DR	Util.	DR	Util.
6G - High spec ("7G") - 2013+	234	140	10	3,5 %	273	78 %	286	83 %	324	90 %	365	90 %	375	90 %	375	90 %
6G - Mid spec (Typ. 2011-12)	141	140	10	3,5 %	254	63 %	258	73 %	291	83 %	329	90 %	338	90 %	338	90 %
6G - Low spec (F&G ExD etc.)	83	130	10	3,5 %	241	56 %	245	68 %	277	78 %	312	85 %	321	85 %	321	85 %
5G - Ensco 8500s, F&G ExD etc.	48	130	10	3,5 %	229	56 %	233	68 %	263	78 %	296	85 %	305	85 %	305	85 %
Legacy floaters	-	120	10	3,5 %	218	56 %	221	68 %	250	78 %	282	85 %	289	85 %	289	85 %

Source: Pareto Securities

Support for our valuation found in increasingly active second-hand market

It is worth noting that our asset valuation is currently below what recent transactions in the second-hand market for 7th gen drillships would suggest. However, we find that the estimated all-in cost for the Cobalt Explorer (sold from DSME to TPAO) is relatively in line with our USD 234m valuation of comparable assets, with some upside. Looking to the reported "price" for Ocean Rig Crete, it should be taken into account that this is for forward delivery (likely in 2023) and that the buyer has the option to walk away. Furthermore, Crete is of higher quality than the avg. 7th gen (some would call it 8th gen). As such, the all-in cost should be taken with a pinch of salt and, if anything, it should be compared to our YE'23 valuation.

Implied values (YE'23e), second-hand values, and Pareto Sec. valuation

*Adjusts for the alternative cost of the backlog, namely assumed market rates

**Adjusts for warrant structures, assumed reactivation costs and differing cashflow profiles until a more normalized market at the end of 2023

*** Assuming USD 75m in OFE crewing and mobilization

**** Assuming USD 75m in OFE crewing and mobilization, but treating first down payment as price of call option

Source: Pareto Securities

Significant discrepancy between pricing in capital markets and in second-hand markets

Regardless, we argue that there is a significant discrepancy between implied values through equity markets and what we and industrial players find to be fair values given the current market environment. Overall, with the exception of RIG, we find that UDW exposure can be attained at very attractive levels through equities at current.

Harsh floaters

*Short term tailwinds from tax relief,
longer term political risk tied to
exploration drilling*

The harsh environment market continues to be “saved” by its relatively limited supply of high-end floaters and the market balance, including contract economics, has remained relatively healthy throughout 2020/21. In the medium term, demand for harsh environment floaters is expected to benefit from temporary tax incentives for projects that are sanctioned on the NCS before YE'22. Further down the road we highlight the political risk tied to exploration on the NCS and expect demand to be skewed towards development drilling in the foreseeable future.

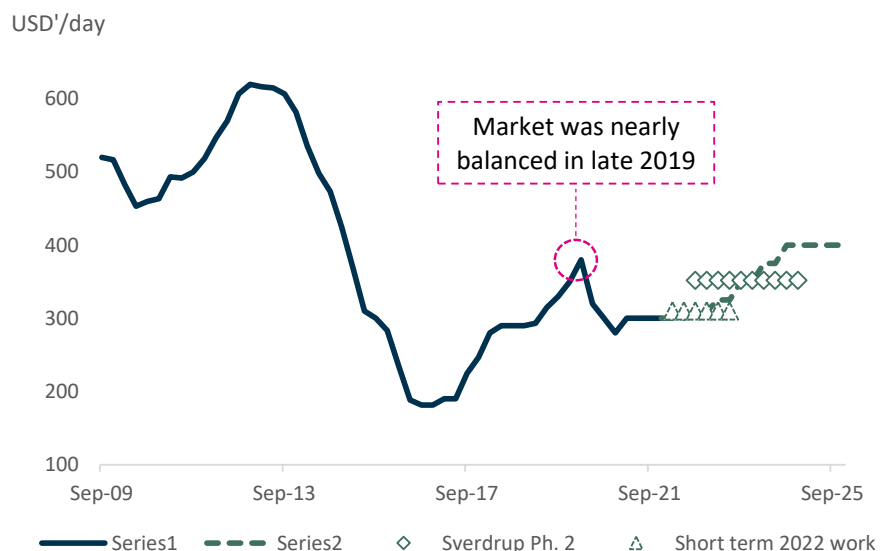
Upwards sloping dayrate trajectory

*Market was nearly normalized
before the pandemic*

In December 2019, 6th gen harsh environment semisubmersible West Phoenix was awarded a long-term contract with a clean dayrate of USD ~360'/day. Including assumed performance bonuses, the effective dayrate is likely in the mid-370's and the harsh environment market was largely balanced/normalized.

Since then, dayrates dipped below USD 300'/day for some tier one assets in the North Sea, but have come up towards USD 300'/day and above for shorter term work in 2022. Furthermore, longer term contracts with forward commencement have, including estimated bonuses, been signed at dayrates in the mid-300's and these are strongly suggestive of an upwards sloping dayrate curve.

Historical dayrates for premium 6th gen harsh environment equipment and PAS estimates



Source: Pareto Securities

*Support for assumed dayrates
based on announced fixtures*

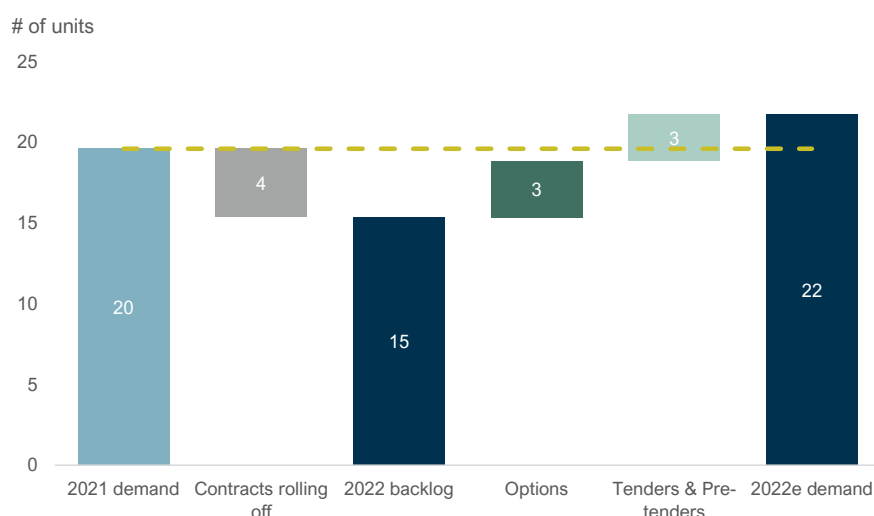
Going forward, with an expected upswing in demand into 2023 due to temporary tax relief for projects sanctioned before YE'22, we assume that dayrates will move gradually higher in coming years. Our dayrate assumptions are largely consistent with what a forward curve for dayrates based on the Sverdrup phase 2 contract would suggest and the avg. dayrates we assume between H2'22 and YE'24 is USD ~350'/day.

Demand to be skewed towards development drilling

*~10% demand increase expected
into 2022*

Looking into 2022 we expect demand for harsh environment floaters to average at ~22 units throughout the year. This is based on firm backlog, options, and demand that is currently being tendered or expected to come as tenders in the near future. Overall, we expect demand for harsh environment floaters to increase by ~10% in 2022.

Bridge to 2022 demand estimate

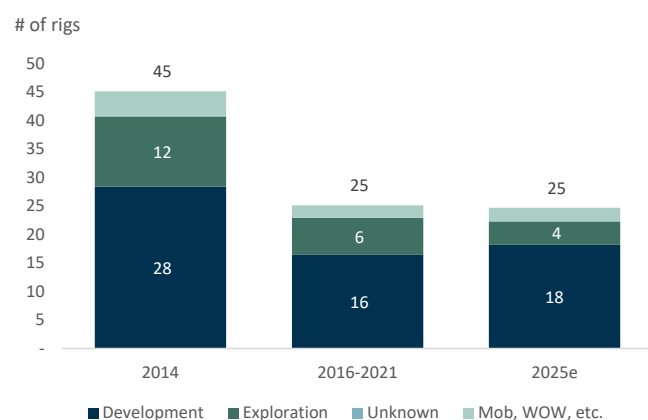


Source: Pareto Securities, IHS-Petrodata

Higher degree of development drilling

Looking a few years down the road, we expect demand to gradually shift towards a higher degree of development and a lower degree of exploration. The baseline for our demand estimate is a ~18-unit demand for development work tied to existing pre-tenders and known/probable projects. On top of this we assume a need for four units that will conduct exploration/appraisal work.

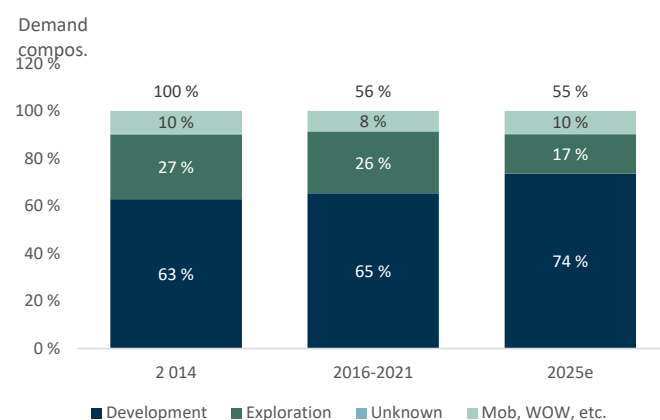
Demand estimate split by type



Source: Pareto Securities, IHS-Petrodata

Political risk threatens exploration demand

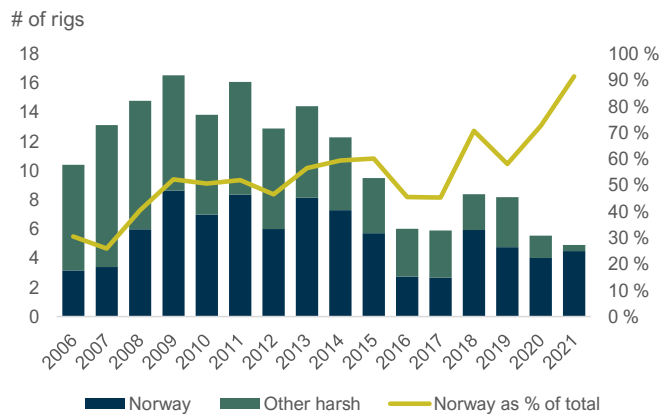
Demand composition



Source: Pareto Securities, IHS-Petrodata

As always, estimated exploration demand is more uncertain than development demand. However, we do argue that there should be a downward sloping trend for exploration drilling in harsh environment going forward. In brief, exploration demand in harsh environments is now largely tied to drilling on the NCS and, importantly, the demand for exploration drilling in Norway was/is spurred by the introduction of the reimbursement system for exploration costs in 2005.

Exploration demand for floaters in harsh environment markets

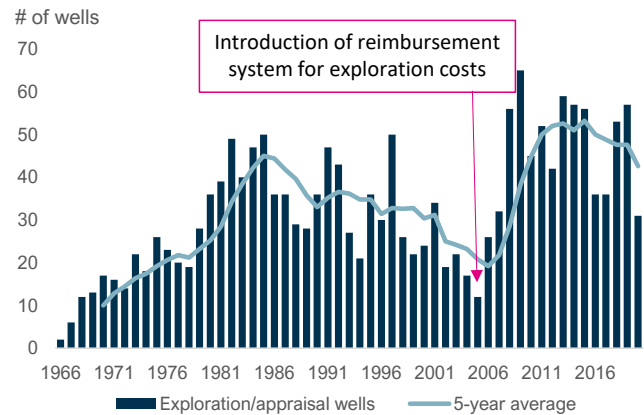


Source: Pareto Securities, IHS-Petrodata

Exploration demand on the NCS is partially held up by reimbursement system for exploration costs

Relatively restricted high end rigs the preferred choice for development drilling

Exploration/appraisal wells on the NCS

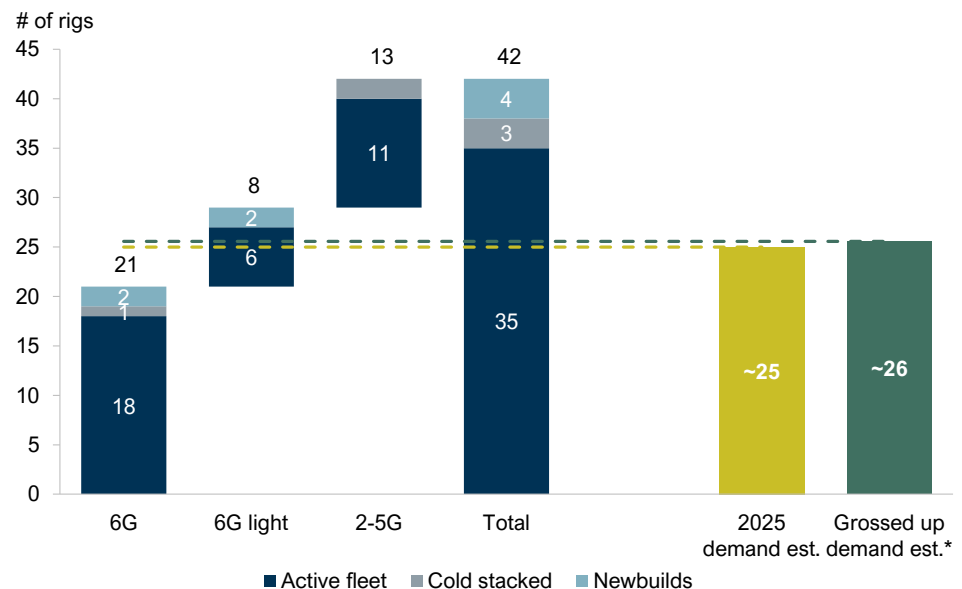


Source: Pareto Securities, Norwegian Petroleum Directorate

The five-year average for the number of exploration and appraisal wells drilled on the NCS is currently twice as high as what it was in 2005 and there is downside to this demand if regulators make it less attractive for E&P's that are not in a tax position to look to the NCS. Several political parties have been vocal about a wanted review of this system and a political push towards a phasing out of oil and gas acts as a medium-term risk for exploration demand.

Looking to the supply side of harsh environment floaters, the high-end portion of the fleet continues to be lower than our assumed recovery demand. Furthermore, development drilling is expected to outpace exploration drilling in the years to come, and the highest-end portion of the fleet will increasingly be the preferred equipment of choice.

Supply composition vs. estimated recovery demand

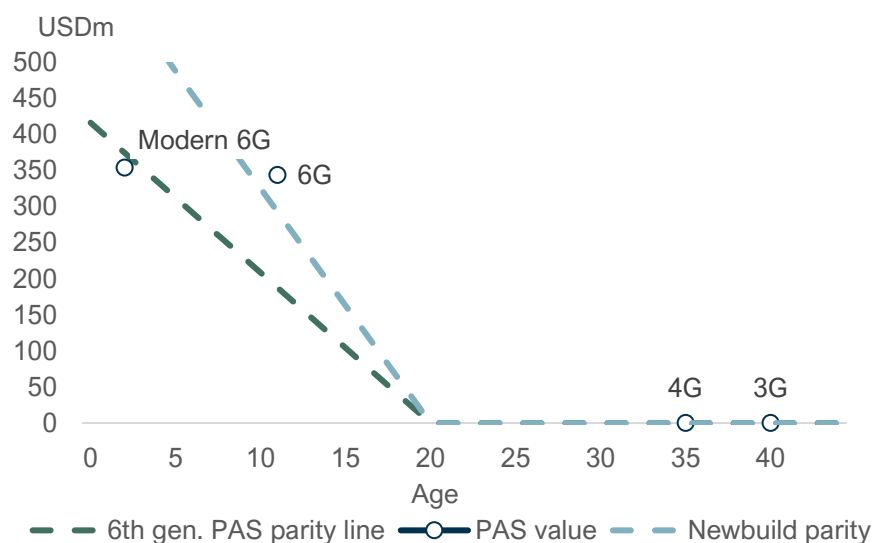


*Our demand estimates are based on units under contract (actually working and receiving dayrates). Even in the tightest markets ever seen, utilization for the fleet is "only" ~98%, as measured by units under contract (as opposed to contracted). As such, a minimum of 150 units is required to cover our recovery demand
Source: Pareto Securities

Relatively equal valuation of high-end 6th gens..

Broadly speaking, we put significant value on the highest portion of the fleet and look past the age difference between units delivered ~10 years ago and units delivered a couple of years ago. The reason for this is that we do not expect a meaningful difference in dayrates/utilization or lifetime for these asset classes.

Pareto Sec. valuation of harsh environment floaters



Source: Pareto Securities

.. and no value on legacy units

If we look further to the right, we continue to find legacy exposure to be far out on the risk curve and we put zero value on these assets in our valuation. This is not to say that some of these assets might end up on cash positive contracts but pinpointing which assets that might do so is a troublesome exercise and we find that risk to be too elevated to put value on these assets.

Dayrate and utilization assumptions with concurrent NPV and asset valuation at WACC 15%

	Asset assumptions				2023e		2024e		2025e		2026e		2027e		Long t. market	
	NPV (USDm)	Opex	SG&A	Tax rate	DR	Util.	DR	Util.	DR	Util.	DR	Util.	DR	Util.	DR	Util.
6G HE semi - 2016+	354	150	10	3,5 %	338	83 %	388	90 %	400	90 %	400	90 %	400	90 %	400	90 %
6G HE semi - 2009-12 and Cat-D	344	150	10	3,5 %	338	83 %	388	90 %	400	90 %	400	90 %	400	90 %	400	90 %
Legacy HE semis	-	120	10	3,5 %	188	58 %	238	65 %	250	65 %	250	65 %	250	65 %	250	65 %

Source: Pareto Securities

Jackups

A similar situation to the one witnessed in 2019

The jackup market has been relatively slow to recover amidst rising oil prices and has been trailing other segments such as the UDW market. Looking into 2022, we expect rising demand from the more oil-price sensitive jackup regions. Overall, we find the underlying market to be relatively similar to that seen in 2018 and expect both demand and dayrates to come in at similar levels to what we saw in the pre-pandemic year of 2019.

Dayrates assumed at similar level to what we saw in 2019

Jackup dayrates have been slow to recover..

Although they have recovered somewhat, dayrates in the jackup market have been trailing those in the UDW market. As we look into 2022, together with a solid increase in demand from oil price sensitive regions, we expect a continued and accelerated improvement in dayrates for premium jackups.

Dayrates for premium benign jackups



Source: Pareto Securities

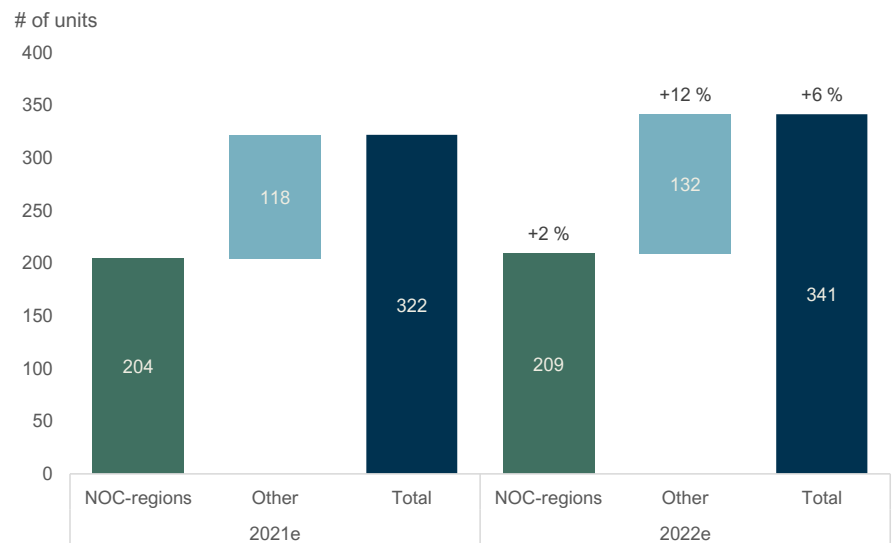
.. but we expect these to recover with demand into 2022

Altogether, we expect dayrates to improve throughout the year and to average at about USD ~85'/day for new contracts, which is in line with what we witnessed in 2019. In the longer run we continue to assume that dayrates will trend towards a mid-cycle dayrate of USD ~125'/day.

Demand will continue to benefit premium assets

~6% overall increase in demand into 2022

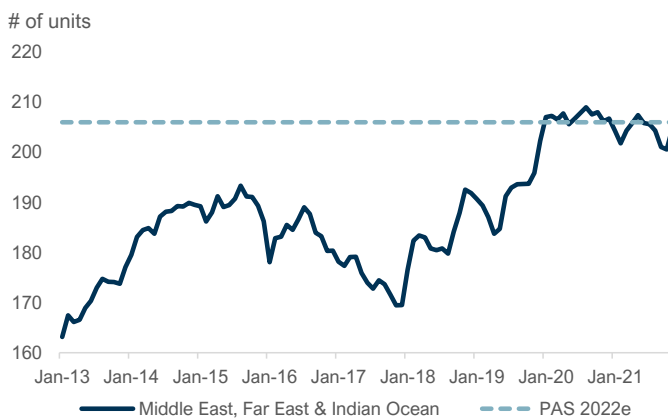
Looking into 2022 we expect a relatively modest increase in demand from typical NOC-regions such as the Middle East, Far East and India. Demand in these regions is more stable than in region with more IOCs and has been stable at about ~205 units through both 2020 and 2021.

Bridge to 2022 demand estimate

Source: Pareto Securities

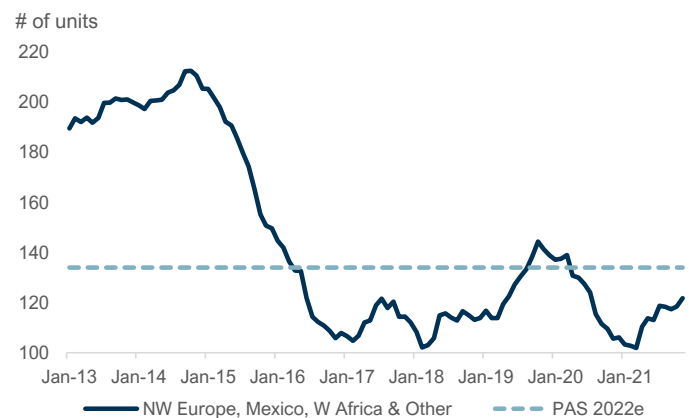
Jackup market in more oil price sensitive markets in similar state to what we saw in 2018/19

As for regions such as SE Asia, West Africa, etc. we estimate a 12% increase in demand. These regions are much more prone to oil price fluctuations and the current oil price environment warrants meaningfully higher activity levels in these regions. Unlike on the floater side, where majors play a key role, smaller IOCs and local NOCs dominate the demand in these regions. These are more responsive to higher oil prices, as evidenced also in 2021. Put into perspective, the last time Brent averaged at USD ~70 over a 12-month period, jackup demand in these regions jumped from ~110 units under contract in 2018 to ~130 units under contract in 2019 and we are facing a similar environment ahead of 2022.

Units under contract in Middle East, Far East and Indian Ocean

Source: Pareto Securities, IHS-Petrodata

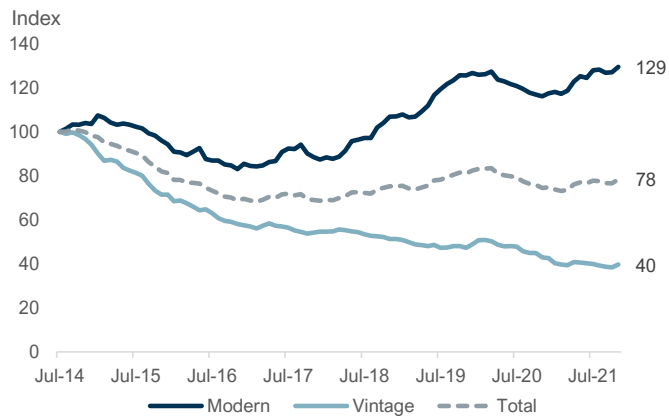
Legacy equipment is uncompetitive over time..

Units under contract in remaining regions, ex. US GoM

Source: Pareto Securities, IHS-Petrodata

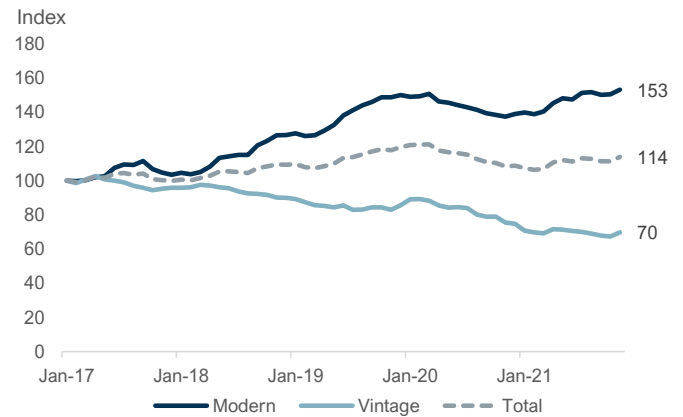
Aside from absolute demand figures, we continue to assume that modern equipment will gain market share at the expense of legacy equipment. The bifurcation trend in the jackup market remains an important one and, despite overall demand being down ~20% from peak levels in 2014, demand for modern equipment is up ~30% in the same time period.

Indexed demand for modern vs. vintage units (from peak)



Source: Pareto Securities, IHS-Petrodata

Indexed demand for modern vs. vintage units (from trough)

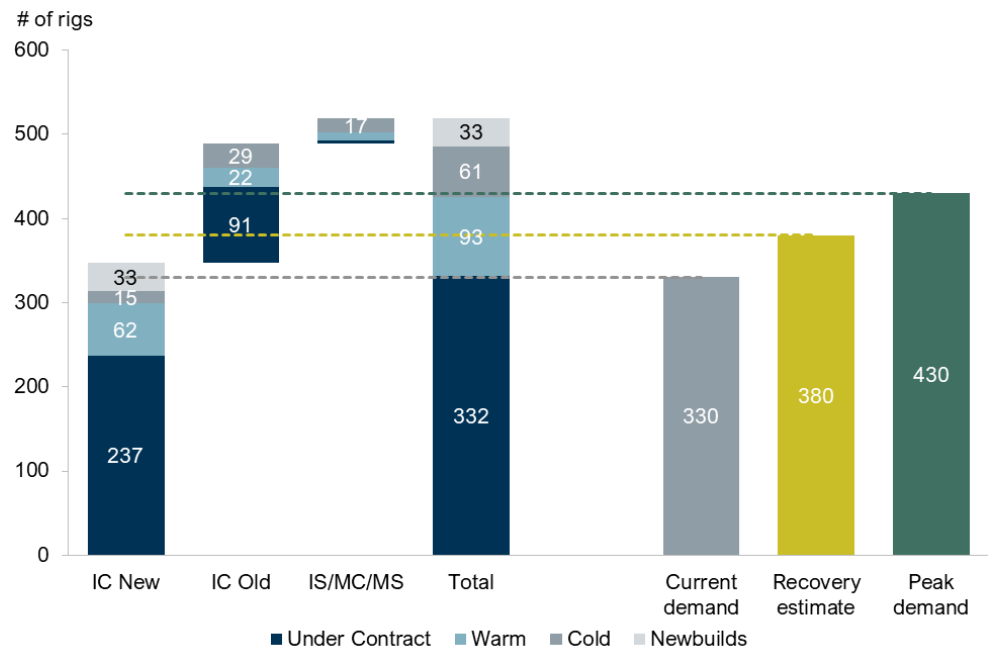


Source: Pareto Securities, IHS-Petrodata

.. and the structural bifurcation trend is expected to continue..

This trend is equally visible in a rising market and, with trough demand in 2017 as a baseline, we see that demand for modern jackups is up more than 50%, whereas demand for vintage equipment is down ~30%. This is a structural trend that is expected to continue going forward and, in the race against the clock, vintage equipment is not well suited to compete against modern equipment over time.

Supply composition vs. estimated recovery demand

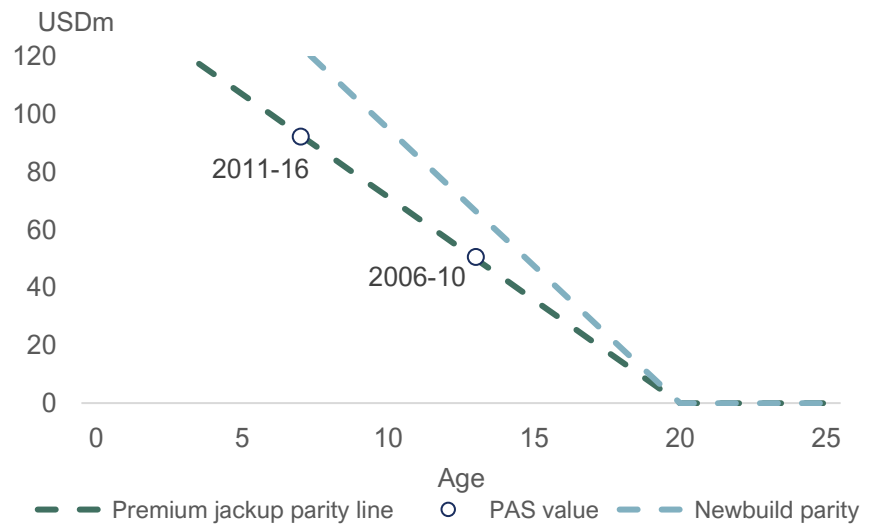


Source: Pareto Securities

.. and contribute to a balancing of the market

Importantly, the bifurcation trend needs to be viewed in light of the fact that utilization in the jackup market would have been 95% at current if legacy equipment is assumed excluded from the supply side. As such, even on flat demand, the jackup market will tighten over time as legacy equipment keeps getting increasingly uncompetitive.

Pareto Sec. valuation of benign environment jackups



Source: Pareto Securities

Premium equipment is the way to play the jackup market in our view

Unlike in the benign floater market, the modern portion of the jackup fleet is covered by current demand. As such, there is less of a discrepancy in assumed earnings for the absolute most modern units and the modern, but slightly aged units. Overall, the key difference that separates the value of these two asset classes is the remaining lifetime we assume. As for legacy jackups, we expect these to be phased out over time and that they will not be able to generate sufficient cashflow to warrant any positive NPV at a capital cost of 15% and we assume zero value for these assets.

Dayrate and utilization assumptions with concurrent NPV and asset valuation at WACC 15%

	Asset assumptions				2023e		2024e		2025e		2026e		2027e		Long t. market	
	NPV (USDm)	Opex	SG&A	Tax rate	DR	Util.	DR	Util.	DR	Util.	DR	Util.	DR	Util.	DR	Util.
Jackup - 2011-16	92	50	5	3,5 %	94	84 %	105	89 %	118	90 %	125	90 %	125	90 %	125	90 %
Jackup - 2006-10	55	50	5	3,5 %	89	84 %	100	89 %	112	90 %	119	90 %	119	90 %	119	90 %
Legacy JU	-	40	5	3,5 %	80	55 %	89	55 %	100	55 %	106	55 %	106	55 %	106	55 %
Heavy Duty Jus (CJ-70)	279	130	10	3,5 %	313	91 %	325	93 %	325	93 %	325	93 %	325	93 %	325	93 %
Heavy Duty Jus (N Class)	133	110	7	3,5 %	192	89 %	206	90 %	222	90 %	231	90 %	231	90 %	231	90 %
Older heavy duty Jus (CJ70)	75	60	5	3,5 %	119	89 %	130	90 %	143	90 %	150	90 %	150	90 %	150	90 %
HSHE JUs 2011-2016	92	55	5	3,5 %	99	89 %	110	90 %	123	90 %	130	90 %	130	90 %	130	90 %
HSHE JUs 2005-10	51	55	5	3,5 %	94	86 %	105	88 %	116	88 %	124	88 %	124	88 %	124	88 %

Source: Pareto Securities

Some thoughts on the CCS-market

Uncertainty is high, but potential impact of incremental demand makes CCS a force worth watching out for

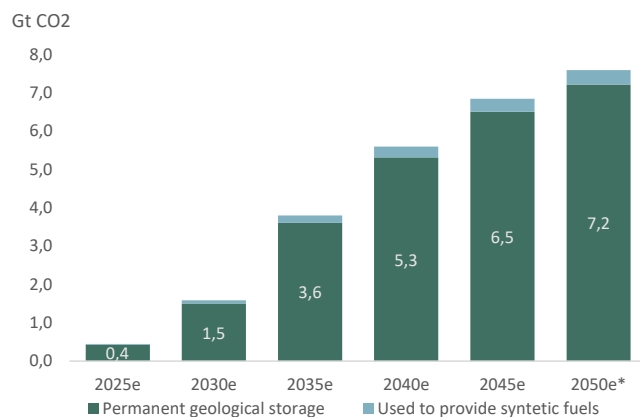
Carbon Capture and Storage (CCS) is to an increasing degree viewed as a pivotal part of the puzzle to reach Net Zero Emissions (NZE) by 2050. In order to store carbon, it is necessary to drill holes in the ground and, in order to drill holes in the ground, you need drilling rigs. The future of carbon capture is uncertain, and whether or not it will translate into demand for offshore drilling rigs is even more uncertain, especially with regards to whether or not CO₂ will be stored offshore or onshore (many would argue for the benefits of the former). However, given the potential magnitude of the demand, we argue that this potential demand is worth looking out for.

125 rigs drilling CCS wells between 2030 and 2035?

CCS is a big part of net zero by 2050

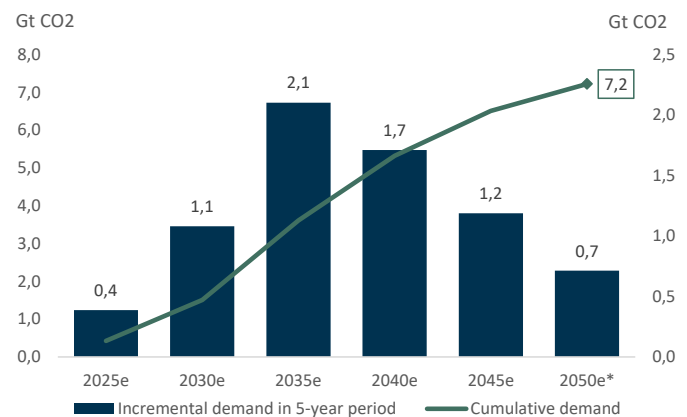
According to IEA, there is a global need to capture 7.6 Gt of CO₂ per year by 2050 in order to reach NZE, of which 95% will be permanently stored in geological storage. Based on these projections there is a need to develop ~0.4 Gt of annual storage capacity by 2025, an additional ~1.1 Gt by 2030, and so on.

Estimated need for annual CO₂ storage capacity



Source: Pareto Securities, IEA

Implied incremental need for CO₂ storage capacity

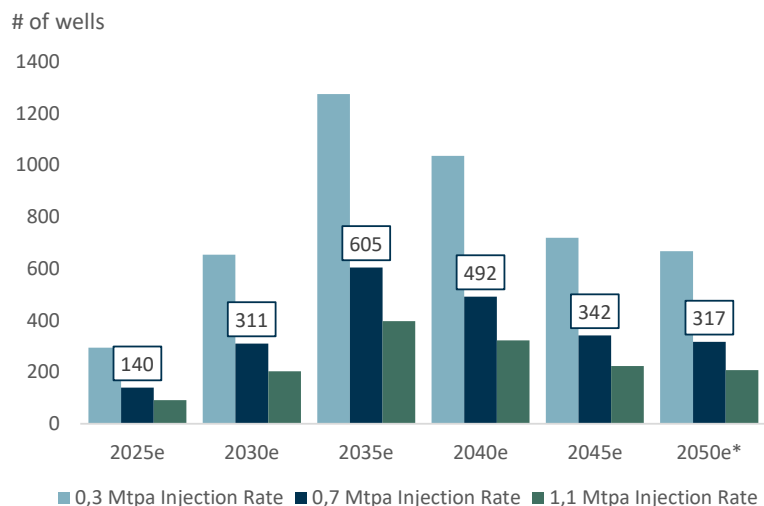


*2050 figures include assumed re-drill of 25-year-old wells
Source: Pareto Securities, IEA

Overall demand for storage could require the drilling of ~10,000 CCS wells by 2050 in base case scenario..

To arrive at an estimated well demand we need to make an assumption regarding the average injection capacity of any given CCS well. Given that this is a very immature field, there is a high degree of uncertainty tied to what one should expect for injection rates but, with reference to a scientific report that bases its estimate on historical data for offshore wells ([link](#)), we make an assumption of an average of ~0.7 Mtpa injection capacity per well (for offshore wells).

CCS-wells required based on different injection rates (P90 confidence interval)

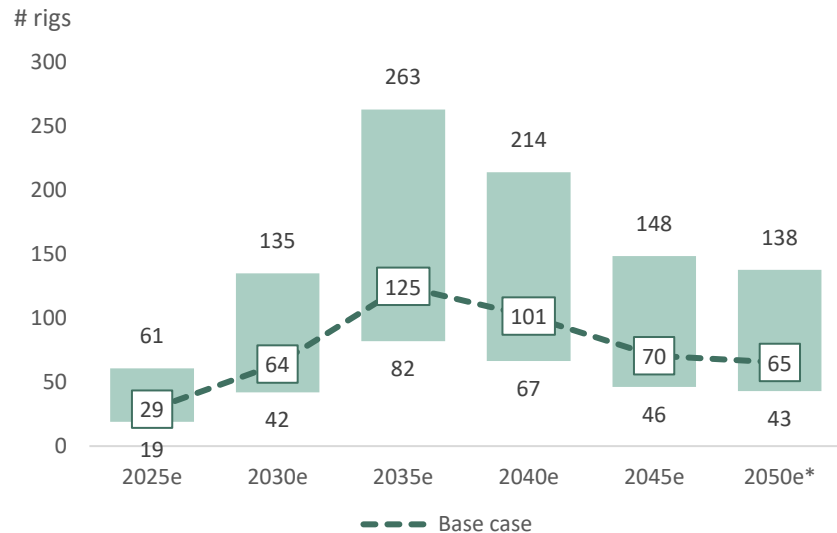


*2050 figures include assumed re-drill of 25-year-old wells
Source: Pareto Securities

.. and lead to a meaningful demand for drilling rigs

From an estimated need for wells, we can get to a required rig demand to drill these wells. We here assume a 75-day duration for the drilling of CCS wells (based on the estimated drilling time for the NA-3 redrill at Greensands) and get to an avg. rig demand of ~78 rig years from now until 2050, with a peak demand of 125 units between 2035 and 2030. Importantly, this is based on 100% of estimated CO2 storage capacity to be offshore, and some would argue that offshore will be the dominant location for geological storage ([link](#)), but there is significant risk to this assumption.

Implied rig demand

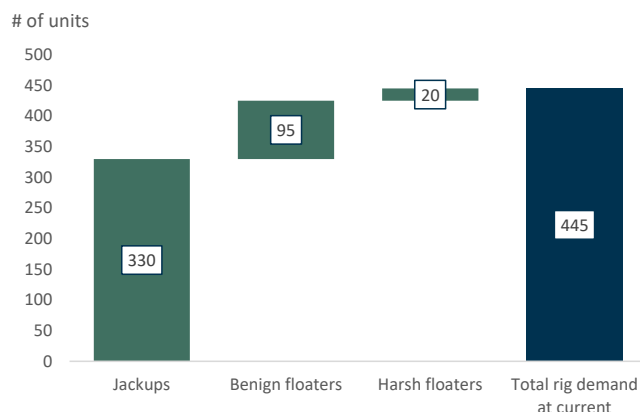


*2050 figures include assumed re-drill of 25-year-old wells
Source: Pareto Securities

Significant uncertainty tied to what asset class that would benefit from this potential demand..

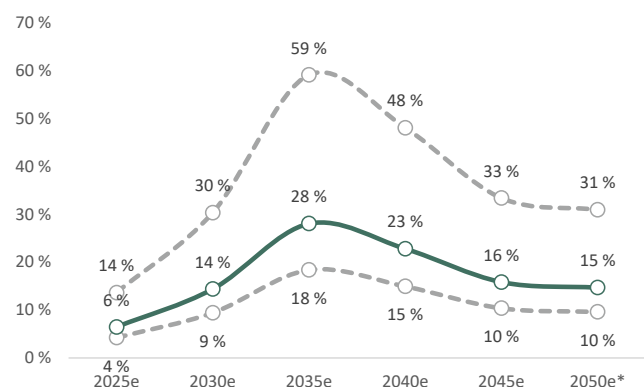
In addition to uncertainty tied to whether or not CO2 will be stored offshore or onshore, or the mix therein between, there is added uncertainty related to what basins that will act as storage hubs and what water depths wells will be drilled at. So far we have seen that both jackups and floaters have benefited (in a very small scale) from demand related to CO2 storage wells, but there is no clear trend as to which asset class will benefit the most.

Current rig demand



Source: Pareto Securities, IHS-Petrodata

Potential CCS-based demand in low, high, and base case



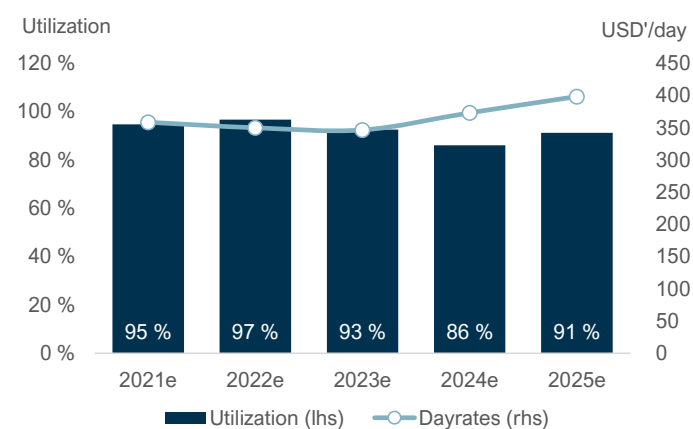
Source: Pareto Securities

.. but potential magnitude of this incremental rig demand makes the CCS market worth watching out for

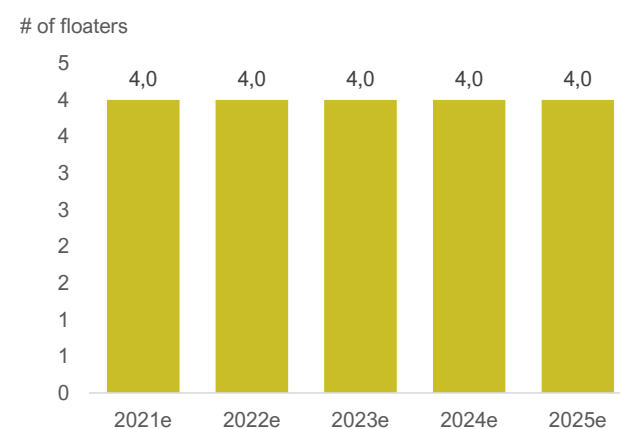
Regardless, at current, the aggregated demand for offshore drilling units amounts to 445 units. If we measure this against our estimate for offshore drilling rigs that are needed to drill CO2 storage wells in IEA's base case NZE scenario we see ~28% upside to current demand in the period between 2030 and 2035 based solely on CCS wells. Again, this is based on an assumption that 100% of CO2 will be stored offshore and there are several uncertainties that could alter this projection. Regardless, the magnitude of CCS-well demand makes this potential incremental market demand worth looking out for.

ODL – Estimate and valuation summary

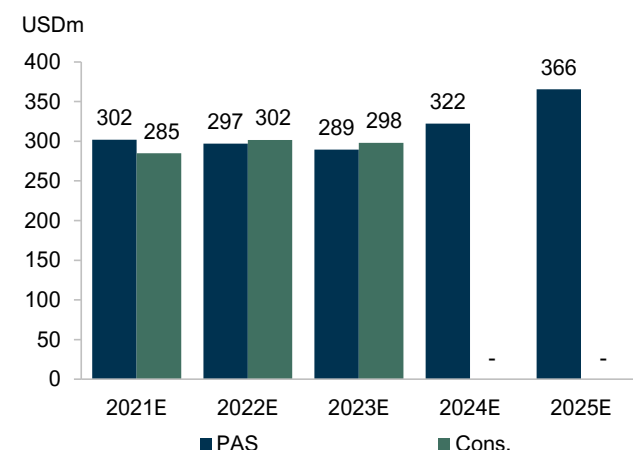
Floater – Utilization and dayrate assumptions



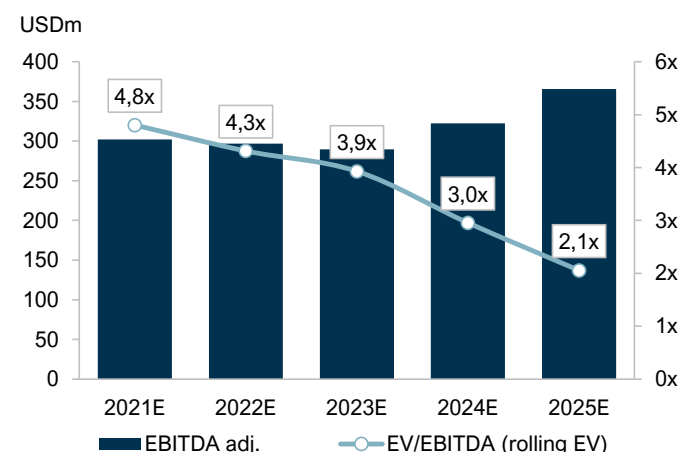
Floater – Number of units included in estimates



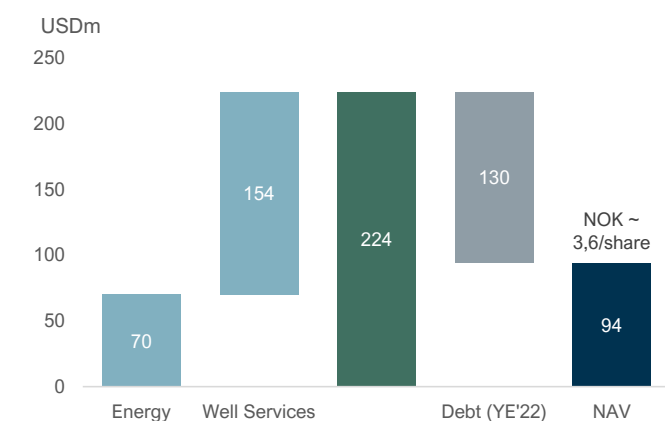
EBITDA adj. estimates – Pareto Sec. vs. consensus



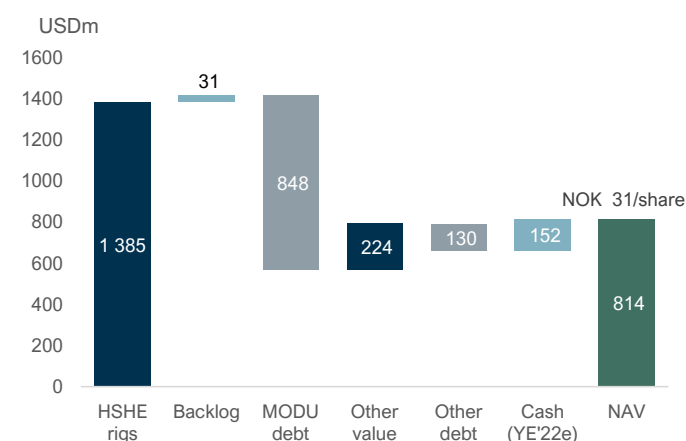
EV/EBITDA adj. (ex. assumed reactivation cost in EBITDA)



SOTP for Well Services and Energy



SOTP for Odfjell Drilling



Fleet and contract overview

	Status	Built	Depth	Region	Client	Dayrate	2021				2022				2023				2024			
							Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Harsh Environment semis																						
Deepsea Aberdeen	Active	2014	10000	UK/Norway	WDea/Equnr	~431-320																
Deepsea Stavanger	Active	2010	10000	Norway	Lundin/Equinor	~300-310																
Deepsea Atlantic	Active	2009	10000	Norway	Equinor	~290-300																
Deepsea Nordkapp	Active	2019	10000	Norway	Aker BP	~325-300																

Source: Pareto Securities, FactSet

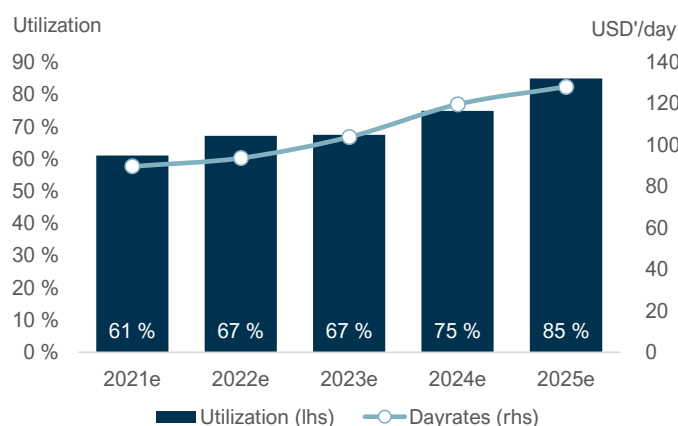
ODL – Estimate overview

PROFIT & LOSS (fiscal year) (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Revenues	657	662	698	823	930	847	773	783
EBITDA	285	274	259	332	420	302	297	289
Depreciation & amortisation	(252)	(161)	(161)	(185)	(204)	(181)	(180)	(180)
EBIT	34	111	99	147	216	121	117	109
Net interest	(74)	(74)	(75)	(103)	(71)	(51)	(58)	(49)
Other financial items	-	-	8	-	-	-	-	-
Profit before taxes	(40)	37	31	44	146	70	59	61
Taxes	(25)	(1)	(4)	(3)	(2)	(10)	(27)	(27)
Minority interest	-	-	-	-	0	-	-	-
Net profit	(65)	35	27	41	143	60	31	33
EPS reported	(0,33)	0,18	0,12	0,17	0,61	0,25	0,13	0,14
EPS adjusted	(0,02)	0,13	0,04	0,16	0,61	0,25	0,13	0,14
DPS	-	-	-	-	-	-	-	-
BALANCE SHEET (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Tangible non current assets	1 913	1 782	1 928	2 281	2 203	2 105	1 963	1 852
Other non-current assets	44	37	32	32	33	35	35	35
Other current assets	125	153	142	204	198	209	209	209
Cash & equivalents	182	166	175	170	207	135	152	86
Total assets	2 264	2 138	2 276	2 686	2 640	2 484	2 360	2 182
Total equity	722	767	1 024	1 062	1 199	1 254	1 285	1 319
Interest-bearing non-current debt	1 208	1 076	312	1 174	696	881	885	676
Interest-bearing current debt	204	157	783	217	516	156	-	-
Other Debt	129	138	158	234	230	193	189	187
Total liabilities & equity	2 264	2 138	2 276	2 686	2 640	2 484	2 360	2 182
CASH FLOW (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Cash earnings	192	132	176	232	349	247	208	212
Change in working capital	30	34	45	(34)	(3)	(41)	-	-
Cash flow from investments	(22)	(0)	(293)	(428)	(113)	(92)	(38)	(68)
Cash flow from financing	(220)	(220)	(122)	223	(193)	(183)	(152)	(210)
Net cash flow	(20)	(55)	(195)	(7)	39	(69)	18	(66)
VALUATION (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Share price (USD end)	2,01	4,46	2,37	3,73	2,01	1,96	1,96	1,96
Number of shares end period	199	199	237	237	237	237	237	237
Net interest bearing debt	1 231	1 068	920	1 221	1 005	903	733	590
Enterprise value	1 631	1 956	1 481	2 103	1 481	1 366	1 196	1 053
EV/Sales	2,5	3,0	2,1	2,6	1,6	1,6	1,5	1,3
EV/EBITDA	5,7	7,1	5,7	6,3	3,5	4,5	4,0	3,6
EV/EBIT	48,1	17,7	15,0	14,4	6,8	11,3	10,2	9,6
P/E reported	-	25,1	20,5	21,6	3,3	7,8	14,7	13,9
P/E adjusted	-	34,4	61,9	22,7	3,3	7,8	14,7	13,9
P/B	0,6	1,2	0,5	0,8	0,4	0,4	0,4	0,4
FINANCIAL ANALYSIS	2016	2017	2018	2019	2020	2021e	2022e	2023e
ROE adjusted (%)	-	3,5	1,0	3,7	12,7	4,9	2,5	2,5
Dividend yield (%)	-	-	-	-	-	-	-	-
EBITDA margin (%)	43,3	41,3	37,1	40,3	45,2	35,7	38,4	37,0
EBIT margin (%)	5,2	16,7	14,1	17,8	23,3	14,3	15,1	14,0
NIBD/EBITDA	4,32	3,90	3,55	3,68	2,39	2,99	2,47	2,04
EBITDA/Net interest	3,59	3,57	3,30	3,21	5,94	5,88	5,08	5,92

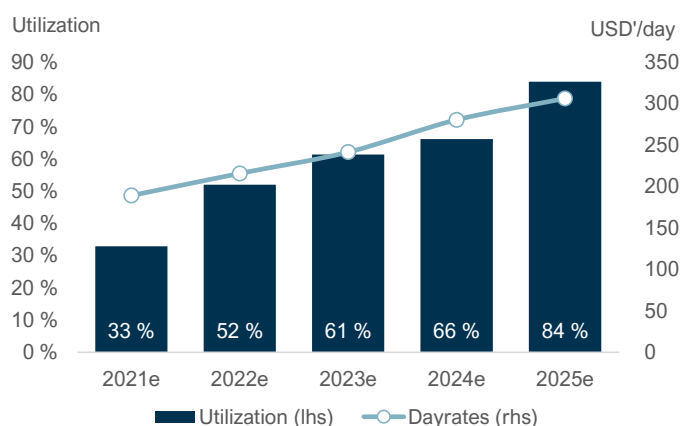
NOTE: EBITDA includes assumed reactivation costs
Source: Pareto Securities

VAL – Estimate and valuation summary

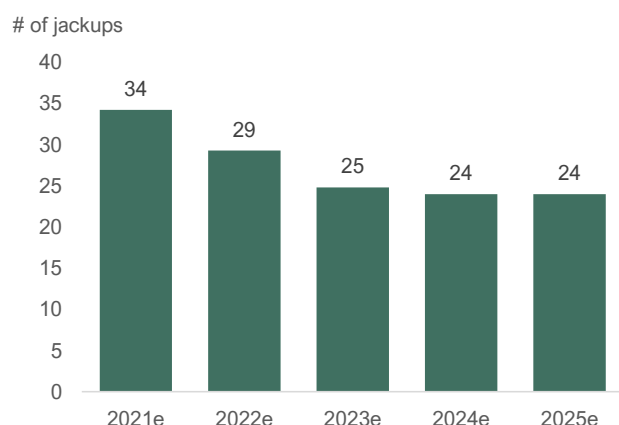
Jackups – Utilization and dayrate assumptions



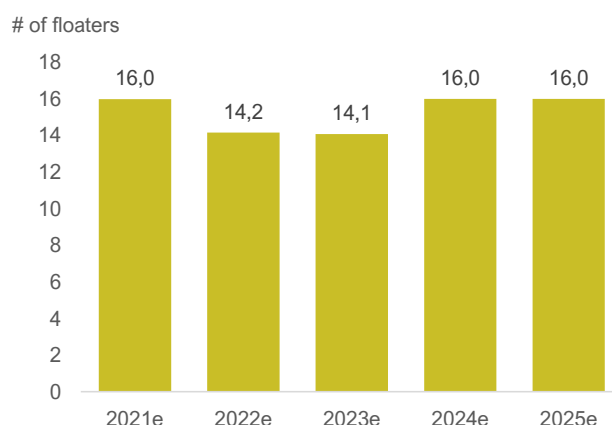
Floater – Utilization and dayrate assumptions



Jackups – Number of units included in estimates



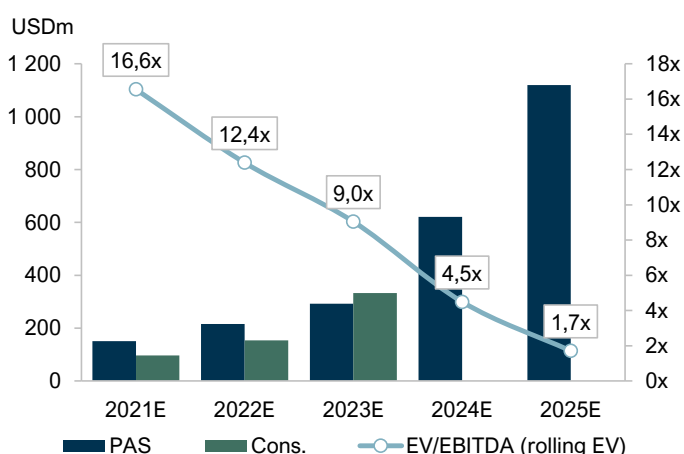
Floater – Number of units included in estimates



SOTP



EV/EBITDA adj. (ex. assumed reactivation cost in EBITDA)



*Includes remaining capex on newbuilds, should options be exercised
Source: Pareto Securities, FactSet

VAL – Fleet and contract overview

	Status	Built	Depth	Region	Client	2021				2022				2023				2024			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Drillships																					
Valaris DS-18	Active	2015	12000	US GoM	Chevron																
Valaris DS-17	Stacked	2014	12000	US GoM	-																
Valaris DS-16	Active	2014	12000	US GoM	-																
Valaris DS-15	Active	2014	12000	Mexico	CNOOC																
Enasco DS-12	Active	2014	10/12	Angola	BP																
Enasco DS-11	Stacked	2013	10/12	W Africa	-																
Enasco DS-10	Active	2017	10000	Nigeria	Shell																
Enasco DS-9	Active	2015	10000	Brazil	-																
Enasco DS-8	Stacked	2015	10000	Angola	-																
Enasco DS-7	Stacked	2013	10000	Egypt	-																
Enasco DS-4	Active	2010	10000	Brazil	Petrobras																
Drillships at yard (purchase options - avg. strike at USD ~170m)																					
Enasco DS-14	@ yard	2023	10/12	Korea	-																
Enasco DS-13	@ yard	2023	10/12	Korea	-																
Semisubs																					
Enasco DPS-1	Active	2012	10000	Australia	Woodside																
Enasco MS-1	Active	2011	6/8.2'	Australia	Inpex																
Valaris DPS-5	Active	2012	85/10'	US GoM	Eni																
Harsh environment jackups																					
JU-292 (Norway)	Active	2011	430	Norway	ConocoPhillips																
JU-291 (Stavanger)	Active	2011	430	Norway	Equinor																
JU-290 (Viking)	Active	2010	430	Norway	MOL																
JU-249 (G-VII)	Active	2002	450	UK	Neptune																
JU-248 (G-VI)	Active	2000	400	T&T	Shell																
JU-247 (G-V)	Active	1998	400	UK	Total																
Enasco 123	Active	2019	400	UK	Premier																
Enasco 122	Active	2014	400	UK	Shell																
Enasco 121	Active	2013	400	Netherlands	Harbour Energy																
Enasco 120	Active	2013	400	UK	Chrysaor																
Enasco 102	Stacked*	2002	400	-	-																
Enasco 100	Stacked*	1987	350	-	-																
Premium jackups																					
JU-118 (Joe Douglas)	Active	2011	375	Mexico	Fieldwood																
JU-117 (Ralph Coffman)	Active	2009	400	T&T	EOG/CGX																
JU-115	Active	2013	400	Thailand	-																
JU-114	Stacked	2012	400	Philippines	-																
JU-113	Stacked	2012	400	Philippines	-																
JU-111	Stacked*	2003	400	Med/Black S.	-																
JU-110	Active	2015	400	Qatar	North Oil Comp.																
JU-109	Idle	2008	350	Angola	-																
JU-108	Active	2007	400	Saudi Arabia	Saudi Aramco																
JU-107	idle	2006	400	Australia	Multiple																
JU-106	Active	2005	400	Indonesia	BP																
JU-104*	Stacked*	02/10	350	UAE	-																
JU-145 (EXL III)*	Stacked*	2010	400	US GoM	-																
JU-144 (EXL II)	Active	2010	350	Mexico	Fieldwood																
Enasco 142*	Stacked	2008	350	Med/Black S.	-																
Enasco 141	Active	2016	340/400	Saudi Arabia	Saudi Aramco																
Enasco 140	Active	2016	340/400	Saudi Arabia	Saudi Aramco																
Enasco 76	Active	2000	400	Saudi Arabia	Saudi Aramco																
Legacy jackups																					
Enasco 92	Active	82/03	225	UK	Chrysaor																
Enasco 72	Active	81/11	225	UK	Eni																
Enasco 67	Active	76/05	350	Indonesia	Pertamina																
Enasco 54	Active	82/04	300	Saudi Arabia	Saudi Aramco																
Leased to ARO																					
Bob Palmer	Active	2003	450	Saudi Arabia	Saudi Aramco																
Rowan Mississippi	Active	2008	375	Saudi Arabia	Saudi Aramco																
Rowan EXL I	Active	2010	350	Saudi Arabia	Saudi Aramco																
Rowan EXL IV	Active	2011	350	Saudi Arabia	Saudi Aramco																
Bess Brants	Active	2013	350	Saudi Arabia	Saudi Aramco																
Earnest Dees	Active	2013	350	Saudi Arabia	Saudi Aramco																
Arch Rowan	Active	1981	350	Saudi Arabia	Saudi Aramco																
Charles Rowan	Active	1981	350	Saudi Arabia	Saudi Aramco																
Rowan Middletown	Active	1980	300	Saudi Arabia	Saudi Aramco																
Dropped down to ARO																					
Gilbert Rowe	-	1981	350	Saudi Arabia	Saudi Aramco																
Bob Keller	-	2005	300	Saudi Arabia	Saudi Aramco																
J.P. Bussell	-	2008	300	Saudi Arabia	Saudi Aramco																
SAR-201	-	1982	200	Saudi Arabia	Saudi Aramco																
SAR-202	-	2012	300	Saudi Arabia	Saudi Aramco																
Hank Boswell	-	2006	300	Saudi Arabia	Saudi Aramco																
Scooter Yeargain	-	2004	300	Saudi Arabia	Saudi Aramco																

Source: Pareto Securities

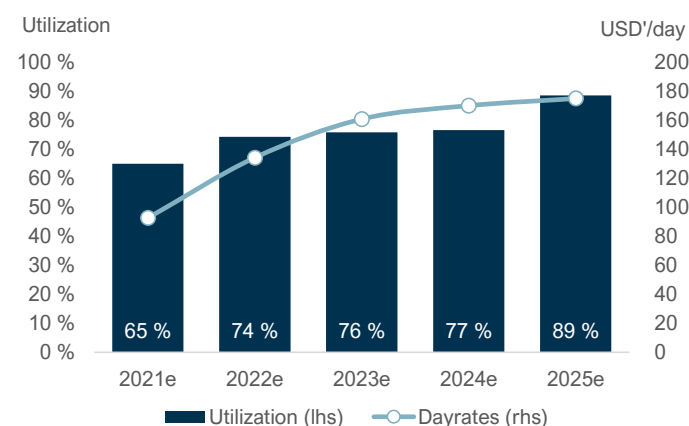
VAL – Estimate overview

PROFIT & LOSS (fiscal year) (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Revenues	2 776	1 843	1 705	2 053	1 545	1 229	1 303	1 470
EBITDA	1 375	496	284	58	(128)	62	92	183
Depreciation & amortisation	(445)	(628)	(519)	(714)	(4 187)	(981)	(96)	(96)
EBIT	930	(132)	(236)	(668)	(4 323)	(909)	23	143
Net interest	(215)	(198)	(287)	(400)	(271)	(10)	(24)	(28)
Other financial items	282	134	(16)	1 004	(523)	(3 564)	-	-
Profit before taxes	997	(196)	(539)	(64)	(5 117)	(4 483)	(1)	115
Taxes	(109)	(109)	(90)	(128)	259	(96)	(46)	(51)
Minority interest	0	1	(11)	(6)	2	(7)	-	-
Net profit	889	(304)	(639)	(198)	(4 856)	(4 586)	(46)	63
EPS reported	8,17	(2,79)	(5,88)	(1,01)	(24,68)	(61,15)	(0,62)	0,85
EPS adjusted	5,58	(1,89)	(5,23)	(5,59)	(21,50)	(12,43)	1,03	2,31
DPS	0,04	0,04	0,04	0,01	-	-	-	-
BALANCE SHEET (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Tangible non current assets	10 919	12 874	18 817	15 097	10 961	883	963	1 363
Other non-current assets	176	140	714	770	740	483	510	567
Other current assets	677	727	980	967	847	570	570	570
Cash & equivalents	2 602	885	1 631	97	326	582	412	324
Total assets	14 375	14 626	22 142	16 931	12 873	2 518	2 455	2 823
Total equity	8 255	8 730	13 124	9 310	4 370	973	926	990
Interest-bearing non-current debt	4 943	4 751	7 320	5 924	7 314	545	545	866
Interest-bearing current debt	332	-	-	125	-	-	-	-
Other Debt	845	1 145	1 698	1 573	1 189	1 000	984	968
Total liabilities & equity	14 375	14 626	22 142	16 931	12 873	2 518	2 455	2 823
CASH FLOW (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Cash earnings	1 024	100	(26)	(13)	(171)	(682)	6	87
Change in working capital	54	160	(29)	(264)	(159)	250	-	-
Cash flow from investments	(263)	(403)	(305)	1 052	(42)	(83)	(176)	(496)
Cash flow from financing	845	(1 573)	188	(952)	530	540	-	321
Net cash flow	799	(1 717)	(172)	(178)	157	25	(170)	(88)
VALUATION (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Share price (USD end)	38,9	23,6	14,2	6,6	0,05	32,1	32,1	32,1
Number of shares end period	109	109	109	197	197	75	75	75
Net interest bearing debt	2 672	3 865	5 689	5 951	6 988	(37)	133	542
Enterprise value	6 900	6 436	7 249	7 242	6 993	2 379	2 549	2 958
EV/Sales	2,5	3,5	4,3	3,5	4,5	1,9	2,0	2,0
EV/EBITDA	5,0	13,0	25,6	-	-	38,4	27,8	16,2
EV/EBIT	7,4	-	-	-	-	-	-	20,6
P/E reported	4,8	-	-	-	-	-	-	38,0
P/E adjusted	7,0	-	-	-	-	-	31,1	13,9
P/B	0,5	0,3	0,1	0,1	0,0	2,5	2,6	2,5
FINANCIAL ANALYSIS	2016	2017	2018	2019	2020	2021e	2022e	2023e
ROE adjusted (%)	8,2	-	-	-	-	-	8,2	18,1
Dividend yield (%)	0,1	0,2	0,3	0,2	-	-	-	-
EBITDA margin (%)	49,5	26,9	16,6	2,8	-	5,0	7,0	12,4
EBIT margin (%)	33,5	-	-	-	-	-	1,8	9,7
NIBD/EBITDA	1,94	7,80	20,07	102,08	(54,64)	(0,59)	1,45	2,97
EBITDA/Net interest	6,39	2,75	1,04	0,40	-	15,47	9,03	10,28

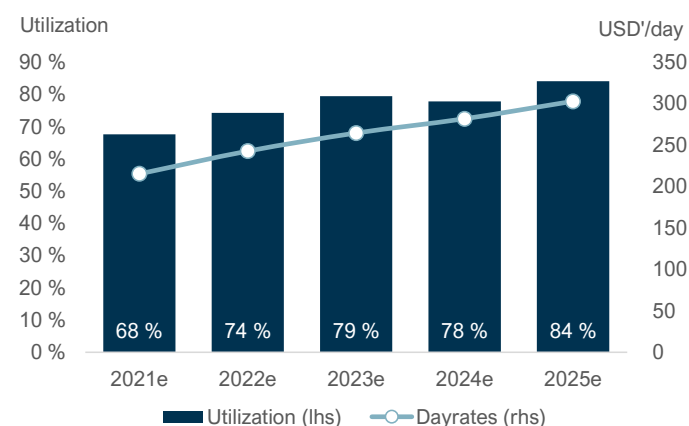
NOTE: EBITDA includes assumed reactivation costs
Source: Pareto Securities

NE/DRLCO – Estimate and valuation summary

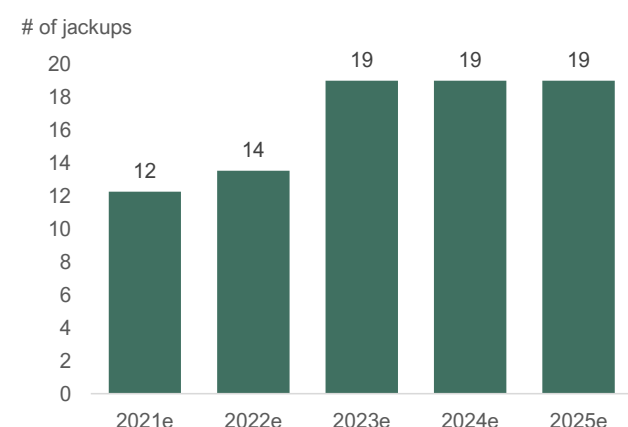
Jackups – Utilization and dayrate assumptions



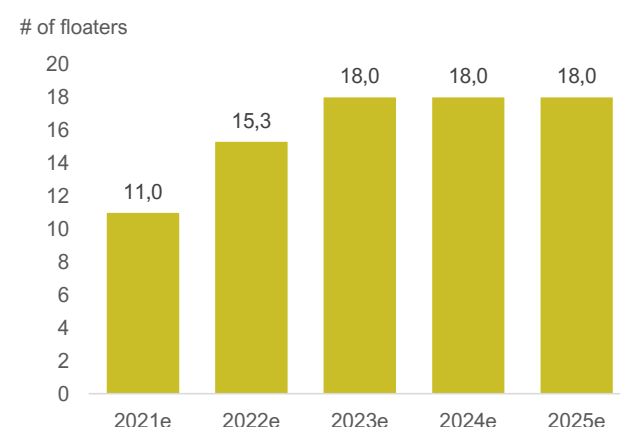
Floater – Utilization and dayrate assumptions



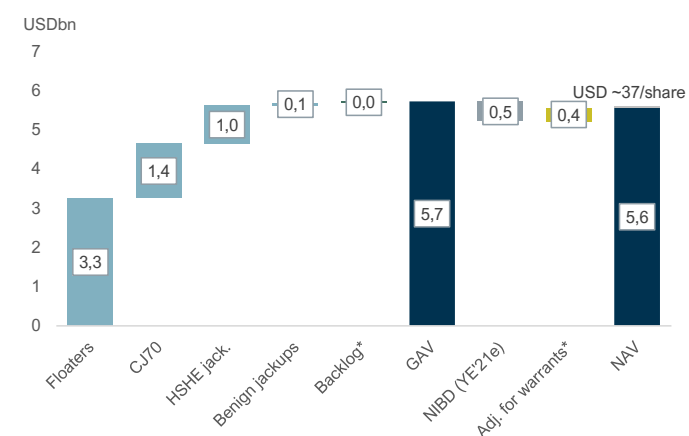
Jackups – Number of units included in estimates



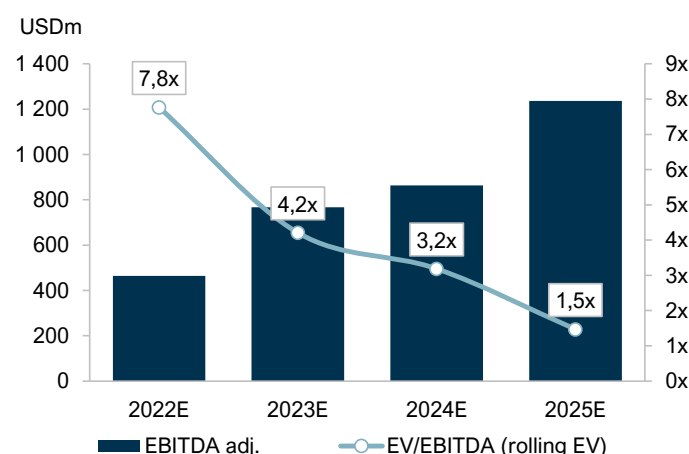
Floater – Number of units included in estimates



SOTP



EV/EBITDA adj. (ex. assumed reactivation cost in EBITDA)



*Adj. for cashless exercise of warrants, NAV/share based on fully diluted share count of 150m in combined company

NOTE: DRLCO included in estimates from H2'22

Source: Pareto Securities, FactSet

NE/DRLCO – Fleet and contract overview

	Status	Built	Depth	Region	Client	2021				2022				2023				2024									
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4						
7th gen drillships (11)																											
Noble Tom Madden	Active	2014	12000	Guyana	Exxon																						
Noble Bob Douglas	Active	2013	12000	Guyana	Exxon																						
Noble Don Taylor	Active	2013	12000	Guyana	Exxon																						
Noble Sam Croft	Active	2014	12000	Surin./Guyana	Apache/Exxon																						
Maersk Venturer	Active	2014	12/12'	Ghana	Tullow																						
Maersk Viking	Active	2014	12/12'	Korea/Ghana	KNOC/Shell																						
Pacific Sharav	Active	2014	12000	US GoM	Murphy																						
Pacific Khamsin	Active	2013	12000	US GoM	Total																						
Maersk Voyager	Active	2015	10/12'	Angola	Total																						
Maersk Valiant	Active	2014	10/12'	Suriname	Total																						
Pacific Meltem	Stacked	2014	12000	US GoM	-																						
6th gen drillships (4)																											
Noble Globetrotter I	Active	2011	10000	US GoM	Shell																						
Noble Globetrotter II	Active	2011	10000	US GoM	Shell																						
Noble Gerry de Souza (Santa Ana)	Active	2011	12000	Maurit./Seneg.	Petronas/Total																						
Pacific Scirocco	Stacked*	2011	12000	West Africa	-																						
Semisubmersible (5)																											
Maersk Deliverer	Active	2010	10'	Australia	Inpex																						
Maersk Discoverer	Active	2009	10'	T&T	BP/Shell																						
Maersk Developer	Active	2008	10'	Suriname	Total																						
Maersk Explorer	Idle	2003	3.3'	Caspian	BP																						
Noble Clyde Boudreaux	Active	1987/07	10000	SE Asia	-																						
CJ70s (7)																											
Noble Lloyd Noble	Active	2016	500	UK/NCS	Equinor																						
Maersk Invincible	Active	2017	492	Norway	Aker BP																						
Maersk Integrator	Active	2015	492	Norway	Aker BP/MOL																						
Maersk Interceptor	Idle	2014	492	-	-																						
Maersk Intrepid	Active	2014	492	Norway	Equinor																						
Maersk Innovator	Active	2003	492	-	-																						
Maersk Inspirer*	Active	2004	492	Norway	Repsol																						
Harsh environment jackups (12)																											
Noble Regina Allen	Active	2013	400	T&T	BHP																						
Noble Sam Turner	Active	2014	400	UK	Total																						
Noble Houston Colbert	Idle	2014	400	UK	-																						
Noble Mick O'Brien	Active	2013	400	Middle East	Qatar Gas																						
Noble Tom Prosser	Active	2014	400	Australia	Exxon																						
Noble Sam Hartley	Idle	2014	400	UK	CNOOC																						
Noble Hans Deul	Active	2009	400	Europe	-																						
Maersk Highlander	Active	2016	400	UK	Total																						
Maersk Reacher	Active	2009	350	-	-																						
Maersk Resolve	Active	2009	350	UK	Spirit																						
Maersk Resilient	Active	2008	350	UK/Denmark	Multiple																						
Maersk Resolute	Active	2008	350	Netherlands	Dana																						
Benign jackup																											
Maersk Convincer	Active	2008	375	SE Asia	Shell																						

Source: Pareto Securities

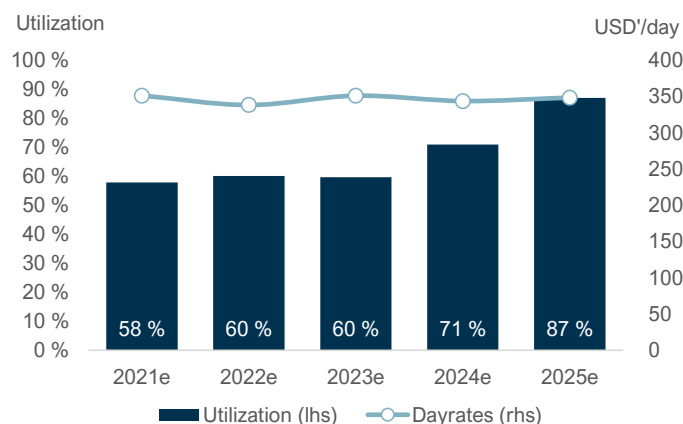
NE/DRLCO – Estimates (DRLCO included from H2'22)

PROFIT & LOSS (fiscal year) (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Revenues	2 302	1 237	1 083	1 305	964	856	1 546	2 251
EBITDA	1 308	507	343	389	198	38	313	742
Depreciation & amortisation	(2 070)	(670)	(1 289)	(1 056)	(4 290)	(110)	(200)	(300)
EBIT	(762)	(163)	(946)	(666)	(4 091)	(73)	113	442
Net interest	(223)	(287)	(289)	(273)	(156)	(24)	(43)	(55)
Other financial items	18	-	(2)	30	8	317	-	-
Profit before taxes	(967)	(449)	(1 237)	(909)	(4 239)	220	70	387
Taxes	109	(69)	107	39	260	(4)	(54)	(79)
Minority interest	(72)	(24)	245	174	-	-	-	-
Net profit	(930)	(542)	(885)	(697)	(3 978)	215	16	308
EPS reported	(3,69)	(2,15)	(3,58)	(2,82)	(16,12)	3,23	0,12	2,31
EPS adjusted	1,25	(1,69)	(0,36)	(0,90)	(15,82)	(0,60)	1,25	2,49
DPS	-	-	-	-	-	-	-	-
BALANCE SHEET (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Tangible non current assets	10 062	9 489	8 481	7 734	3 577	1 281	1 768	1 719
Other non-current assets	186	266	125	128	85	123	123	123
Other current assets	467	376	284	317	259	309	309	309
Cash & equivalents	726	663	375	105	343	178	647	875
Total assets	11 440	10 795	9 265	8 284	4 264	1 891	2 847	3 025
Total equity	6 467	5 951	4 655	3 659	(311)	1 353	1 369	1 677
Interest-bearing non-current debt	4 040	3 796	3 877	3 779	-	216	1 159	1 029
Interest-bearing current debt	300	250	-	63	4 240	-	-	-
Other Debt	633	798	733	784	336	322	319	319
Total liabilities & equity	11 440	10 795	9 265	8 284	4 264	1 891	2 847	3 025
CASH FLOW (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Cash earnings	1 097	343	57	131	451	34	213	608
Change in working capital	31	111	115	55	(178)	(27)	-	-
Cash flow from investments	(10)	(156)	(189)	(363)	(122)	184	(687)	(251)
Cash flow from financing	(13)	(361)	(269)	(94)	107	(177)	943	(130)
Net cash flow	(245)	(63)	(287)	(270)	259	15	469	227
VALUATION (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Number of shares end period	252	252	247	247	247	67	134	134
Net interest bearing debt	3 614	3 383	3 502	3 737	3 896	38	511	154
FINANCIAL ANALYSIS	2016	2017	2018	2019	2020	2021e	2022e	2023e
ROE adjusted (%)	4,5	-	-	-	-	-	12,3	21,8
EBITDA margin (%)	56,8	41,0	31,7	29,8	20,5	4,4	20,3	33,0
EBIT margin (%)	-	-	-	-	-	-	7,3	19,7
NIBD/EBITDA	2,76	6,68	10,21	9,60	19,67	1,00	1,63	0,21
EBITDA/Net interest	5,80	1,75	1,19	1,21	1,81	4,09	10,69	13,84

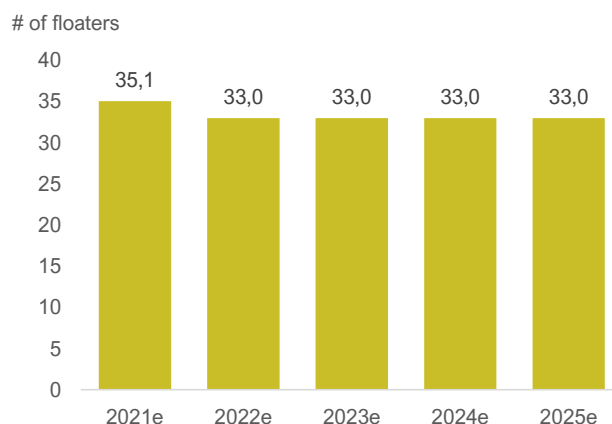
NOTE: EBITDA includes assumed reactivation costs
Source: Pareto Securities

RIG – Estimate and valuation summary

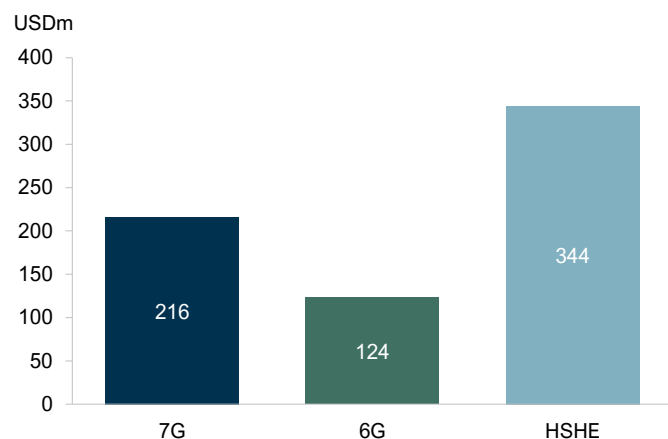
Floater – Utilization and dayrate assumptions



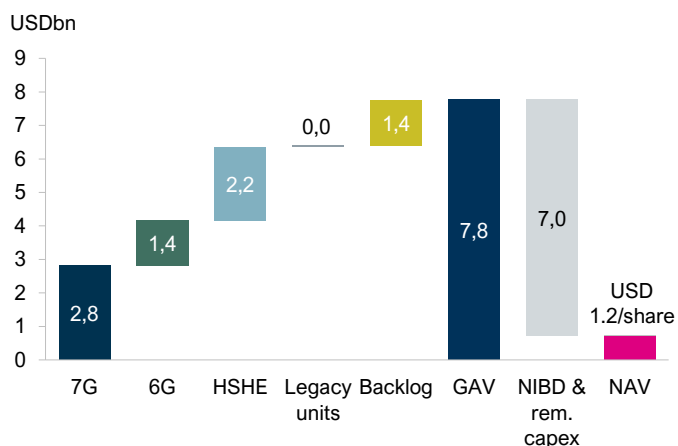
Floater – Number of units included in estimates



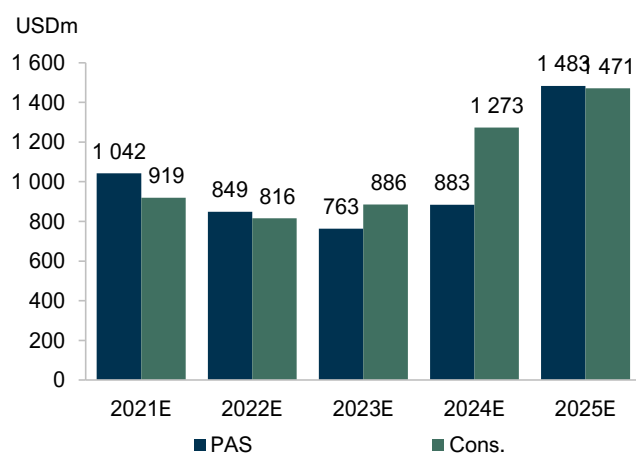
Average value per unit in each floater category



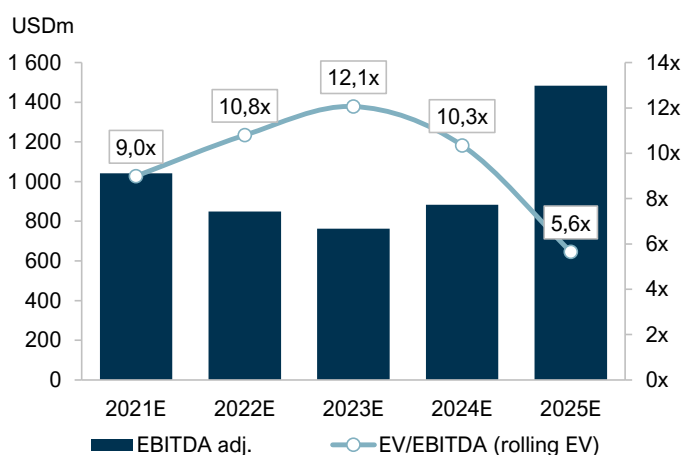
SOTP



PAS vs. consensus adj. EBITDA estimate



EV/EBITDA adj. (ex. assumed reactivation cost in EBITDA)



Source: Pareto Securities, FactSet

RIG – Fleet and contract overview

	Status	Built	Depth	Region	Client	2021				2022				2023				2024			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Ultra-deepwater floaters (29)																					
Deepwater Titan	@ yard	2020	12'	Singapore	Chevron																
Deepwater Atlas	@ yard	2020	12'	Singapore	Beacon																
Deepwater Poseidon	Active	2018	12'	US GoM	Shell																
Deepwater Pontus	Active	2017	12'	US GoM	Shell																
Deepwater Conqueror	Active	2016	12'	US GoM	Chevron																
Deepwater Proteus	Active	2016	12'	US GoM	Shell																
Deepwater Thalassa	Active	2016	12'	US GoM	Shell																
Deepwater Asgard	Active	2014	12'	US GoM	-																
Deepwater Invictus	Active	2014	12'	US GoM/T&T	BHP																
Skyros	Active	2013	12'	Angola	Total																
Apollo	Stacked	2015	12'	Greece	-																
Athena	Stacked	2013	12'	Greece	-																
Mylos	Stacked	2013	12'	Greece	-																
Discoverer Americas	Stacked	2009	12'	T&T	-																
Discoverer Clear Leader	Stacked	2009	12'	US GoM	-																
Discoverer Inspiration	Active	2010	12'	US GoM	-																
Discoverer India	idle	2010	12'	Egypt	-																
Dhirubhai Deepwater KG2	Active	2010	12'	Myanmar	Woodside																
Petrobras 10000	Active	2009	12'	Brazil	Petrobras																
Dhirubhai Deepwater KG1	Active	2009	12'	India	Reliance																
Mykonos	Active	2011	10'	Brazil	Petrobras																
Corcovado	Active	2011	10'	Brazil	Petrobras																
Deepwater Orion	Idle	2011	10'	West Africa	-																
Development Driller III	Active	2009	7,5'	T&T	Shell/BHP																
GSF Development Driller I	Active	2005	7,5'	Australia	-																
Deepwater Nautilus	Active	2000	8'	Malaysia	-																
Deepwater Champion	Stacked*	2011	12'	T&T	-																
Discoverer Luanda	Stacked*	2009	7,5'	Malaysia	-																
Olympia	Stacked*	2011	10'	Greece	-																
Harsh environment floaters (9)																					
Transocean Norge	Active	2019	10'	Norway	Equinor																
Transocean Enabler	Active	2016	1,64'	Norway	Equinor																
Transocean Encourage	Active	2016	1,64'	Norway	Equinor																
Transocean Endurance	Active	2015	1,64'	Norway	Equinor																
Transocean Equinox	Active	2015	1,64'	Norway	Equinor																
Transocean Spitsbergen	Active	2010	10'	Norway	Equinor																
Transocean Barents	Active	2009	10'	Norway	MOL																
Paul B. Loyd, Jr.	Active	1990	2'	UK	Chrysaor																
Henry Goodrich	Active*	85/07	5'	Canada	-																

Source: Pareto Securities

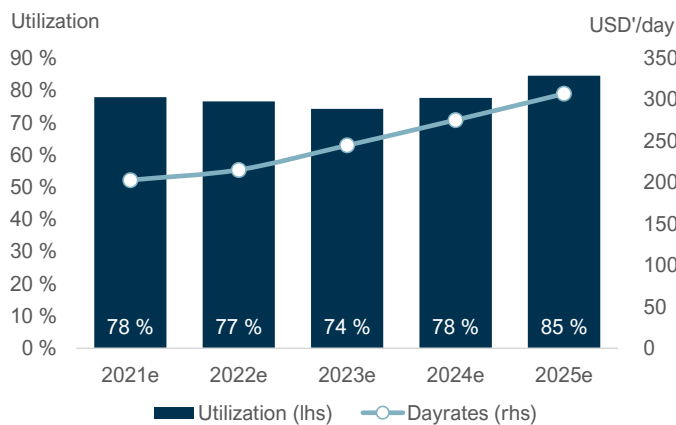
RIG – Estimates

PROFIT & LOSS (fiscal year) (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Revenues	4 161	2 973	3 018	3 088	3 152	2 559	2 498	2 574
EBITDA	2 114	1 429	1 031	755	969	759	723	451
Depreciation & amortisation	(986)	(3 933)	(2 282)	(1 476)	(1 462)	(809)	(760)	(760)
EBIT	1 132	(2 502)	(1 251)	(721)	(493)	(50)	(37)	(309)
Net interest	(389)	(448)	(567)	(617)	(554)	(446)	(459)	(559)
Other financial items	191	(51)	43	140	506	77	-	-
Profit before taxes	934	(3 001)	(1 775)	(1 198)	(541)	(419)	(496)	(868)
Taxes	(107)	(94)	(228)	(59)	(27)	(18)	(62)	(64)
Minority interest	(49)	(30)	7	2	1	(1)	-	-
Net profit	778	(3 125)	(1 996)	(1 255)	(567)	(438)	(559)	(933)
EPS reported	2,00	(7,99)	(3,72)	(2,05)	(0,93)	(0,71)	(0,91)	(1,51)
EPS adjusted	1,23	0,05	(1,71)	(1,02)	(1,69)	(0,38)	(0,70)	(1,01)
DPS	-	-	-	-	-	-	-	-
BALANCE SHEET (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Tangible non current assets	21 083	17 402	20 408	18 847	17 667	17 539	17 578	17 050
Other non-current assets	698	402	1 309	1 618	1 397	1 179	1 179	1 179
Other current assets	1 817	1 858	1 451	1 506	1 305	1 105	1 105	1 105
Cash & equivalents	3 281	2 748	2 497	2 134	1 435	1 279	624	1 750
Total assets	26 879	22 410	25 665	24 105	21 804	21 102	20 486	21 084
Total equity	15 823	12 769	13 114	11 867	11 435	11 153	10 595	9 662
Interest-bearing non-current debt	7 740	7 146	9 605	8 693	7 302	7 003	7 367	8 845
Interest-bearing current debt	724	250	373	568	505	537	-	-
Other Debt	2 592	2 245	2 573	2 977	2 562	2 409	2 525	2 577
Total liabilities & equity	26 879	22 410	25 665	24 105	21 804	21 102	20 486	21 084
CASH FLOW (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Cash earnings	1 674	1 199	185	324	472	419	317	(121)
Change in working capital	237	(55)	373	16	(74)	95	-	-
Cash flow from investments	(1 313)	(587)	(797)	(268)	(257)	(675)	(799)	(232)
Cash flow from financing	267	(1 090)	(944)	(312)	(930)	(120)	(173)	1 478
Net cash flow	865	(533)	(1 183)	(240)	(789)	(281)	(655)	1 125
VALUATION (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Share price (USD end)	14,7	10,7	6,9	6,9	2,31	2,88	2,88	2,88
Number of shares end period	389	391	611	612	612	617	617	617
Net interest bearing debt	5 183	4 648	7 481	7 127	6 372	6 261	6 742	7 095
Enterprise value	10 945	8 886	11 726	11 342	7 788	8 042	8 523	8 876
EV/Sales	2,6	3,0	3,9	3,7	2,5	3,1	3,4	3,4
EV/EBITDA	5,2	6,2	11,4	15,0	8,0	10,6	11,8	19,7
EV/EBIT	9,7	-	-	-	-	-	-	-
P/E reported	7,4	-	-	-	-	-	-	-
P/E adjusted	12,0	-	-	-	-	-	-	-
P/B	0,4	0,3	0,3	0,4	0,1	0,2	0,2	0,2
FINANCIAL ANALYSIS	2016	2017	2018	2019	2020	2021e	2022e	2023e
ROE adjusted (%)	3,1	0,1	-	-	-	-	-	-
Dividend yield (%)	-	-	-	-	-	-	-	-
EBITDA margin (%)	50,8	48,1	34,2	24,4	30,7	29,7	28,9	17,5
EBIT margin (%)	27,2	-	-	-	-	-	-	-
NIBD/EBITDA	2,45	3,25	7,26	9,44	6,58	8,25	9,33	15,74
EBITDA/Net interest	5,37	2,76	1,82	1,55	1,82	2,33	1,85	1,36

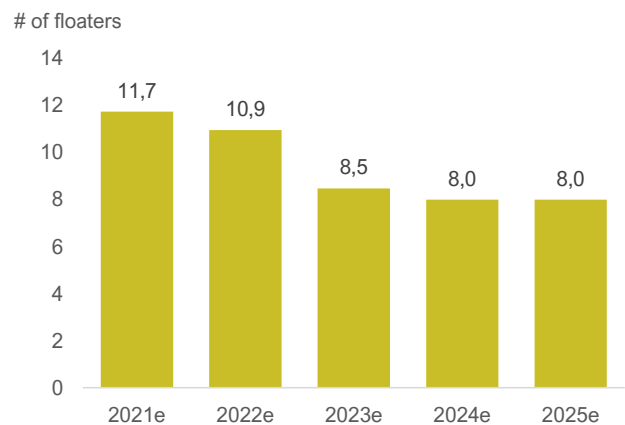
NOTE: EBITDA includes assumed reactivation costs
Source: Pareto Securities

DO – Estimate and valuation summary

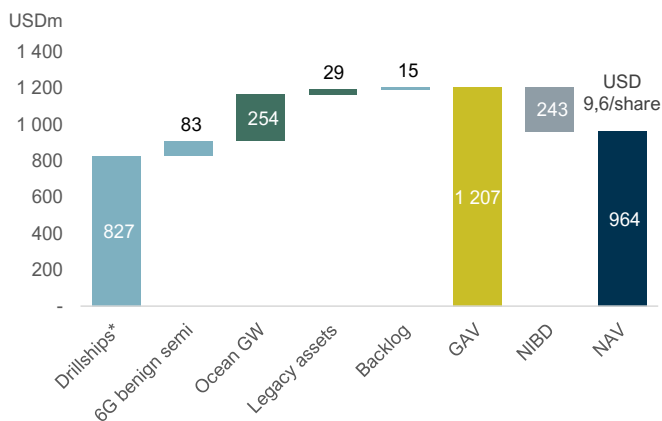
Floater – Utilization and dayrate assumptions



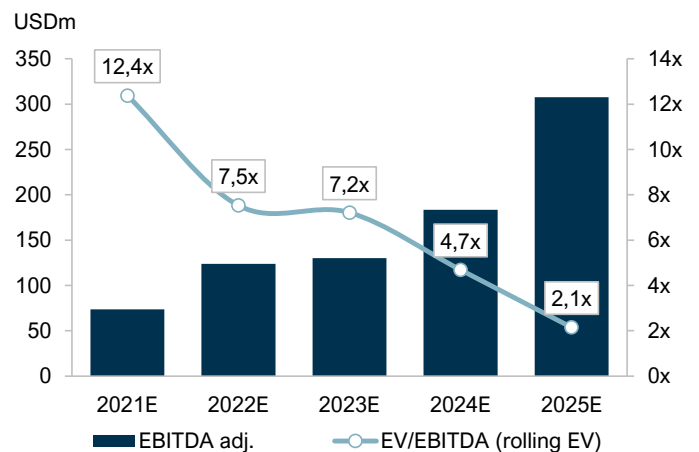
Floater – Number of units included in estimates



SOTP



EV/EBITDA adj. (ex. assumed reactivation cost in EBITDA)



Fleet and contract overview

	Status	Built	Depth	Region	Client	2021				2022				2023				2024			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
7th gen drillships																					
BlackHawk	Active	2014	12000	US GoM	Oxy/WS																
BlackHornet	Active	2014	12000	US GoM	BP																
BlackRhino	Active	2014	12000	Senegal	Woodside																
BlackLion	Active	2015	12000	US GoM	BP																
Harsh environment semisubmersibles																					
Ocean GreatWhite	Stacked	2016	10000	UK	-																
Ocean Endeavor	Active	75/07/18	10000	UK	Shell																
Ocean Patriot	Active	1983	3000	UK	Apache																
Ocean Valiant	Stacked*	1988	5500	UK	Total																
Benign semisubmersibles																					
Ocean Courage	Active	2009	10000	Brazil	Petrobras																
Ocean Apex	Active*	76/14	6000	Australia	WS/BP																
Ocean Monarch	Active*	74/08	10000	Myanmar	Daewoo Intl																
Ocean Onyx	Active*	73/14/19	6000	Australia	Beach																
Ocean Valor	Stacked*	2009	10000	Brazil	-																

*Drillship value adjusted for lease of BOP's

Source: Pareto Securities, FactSet

DO – Estimate overview

PROFIT & LOSS (fiscal year) (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Revenues	1 600	1 486	1 083	981	734	739	708	622
EBITDA	707	562	246	70	9	90	151	52
Depreciation & amortisation	(382)	(448)	(359)	(352)	(1 162)	(392)	(100)	(100)
EBIT	325	124	(113)	(282)	(1 153)	(302)	51	(48)
Net interest	(89)	(111)	(115)	(116)	(42)	(59)	(42)	(48)
Other financial items	-	(34)	1	(3)	(81)	1 969	-	-
Profit before taxes	236	(21)	(227)	(402)	(1 276)	1 607	9	(96)
Taxes	(48)	40	46	45	21	(9)	(25)	(22)
Minority interest	-	-	-	-	-	-	-	-
Net profit	188	18	(180)	(357)	(1 255)	1 598	(16)	(118)
EPS reported	1,37	0,13	(1,31)	(2,60)	(9,09)	15,98	(0,16)	(1,18)
EPS adjusted	1,37	0,81	(1,40)	(2,46)	(8,48)	(3,87)	(0,43)	(0,40)
DPS	-	-	-	-	-	-	-	-
BALANCE SHEET (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Tangible non current assets	5 727	5 262	5 184	5 153	4 123	1 325	1 318	1 298
Other non-current assets	139	102	66	204	200	78	78	78
Other current assets	350	511	332	321	195	233	233	233
Cash & equivalents	156	376	454	156	430	76	167	160
Total assets	6 372	6 251	6 036	5 834	4 948	1 713	1 797	1 769
Total equity	3 707	3 774	3 585	3 232	1 781	909	893	775
Interest-bearing non-current debt	1 981	1 972	1 974	1 976	-	306	406	496
Interest-bearing current debt	104	-	-	-	2 619	-	-	-
Other Debt	580	504	477	626	549	498	498	498
Total liabilities & equity	6 372	6 251	6 036	5 834	4 948	1 713	1 797	1 769
CASH FLOW (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Cash earnings	548	668	40	(68)	(236)	1 977	84	(18)
Change in working capital	98	(174)	192	77	24	(25)	-	-
Cash flow from investments	(426)	(124)	(448)	(326)	(190)	(99)	(93)	(79)
Cash flow from financing	(183)	(150)	(6)	(0)	436	(2 183)	100	90
Net cash flow	37	220	(222)	(317)	35	(330)	91	(7)
VALUATION (USDm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Share price (USD end)	17,7	18,6	9,4	7,2	0,17	0,13	0,13	0,13
Number of shares end period	137	137	137	138	138	100	100	100
Net interest bearing debt	1 929	1 596	1 520	1 819	2 188	230	239	336
Enterprise value	4 356	4 147	2 817	2 808	2 212	243	252	349
EV/Sales	2,7	2,8	2,6	2,9	3,0	0,3	0,4	0,6
EV/EBITDA	6,2	7,4	11,4	40,1	-	2,7	1,7	6,7
EV/EBIT	13,4	33,4	-	-	-	-	5,0	-
P/E reported	12,9	-	-	-	-	0,0	-	-
P/E adjusted	12,9	23,0	-	-	-	-	-	-
P/B	0,7	0,7	0,4	0,3	0,0	0,0	0,0	0,0
FINANCIAL ANALYSIS	2016	2017	2018	2019	2020	2021e	2022e	2023e
ROE adjusted (%)	4,8	3,0	-	-	-	-	-	-
Dividend yield (%)	-	-	-	-	-	-	-	-
EBITDA margin (%)	44,2	37,8	22,7	7,1	1,2	12,2	21,3	8,3
EBIT margin (%)	20,3	8,3	-	-	-	-	7,2	-
NIBD/EBITDA	2,73	2,84	6,17	25,97	244,24	2,56	1,59	6,48
EBITDA/Net interest	7,93	5,19	2,18	0,68	0,30	1,24	2,95	2,71

NOTE: EBITDA includes assumed reactivation costs
Source: Pareto Securities

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Appendix A

Disclosure requirements in accordance with Commission Delegated Regulation (EU) 2016/958 and the FINRA Rule 2241

The below list shows companies where Pareto Securities AS - together with affiliated companies and/or persons – owns a net long position of the shares exceeding 0,5 % of the total issued share capital in any company where a recommendation has been produced or distributed by Pareto Securities AS.

Companies	No. of shares	Holdings in %
Bonheur	240 945	0,57 %
Pareto Bank	15 311 980	21,92 %
Selvaag Bolig	3 729 704	3,98 %
Sparebank 1 Nord-Norge	4 287 282	4,27 %
SpareBank 1 Ringerike Hadeland	100 000	0,64 %
Sparebank 1 SMN	1 970 442	1,52 %
Sparebank 1 SR-Bank	1 856 679	0,73 %
SpareBank 1 Østfold Akerhus	1 232 229	9,95 %
SpareBank 1 Østlandet	3 833 163	3,61 %
Sparebanken Møre	305 239	3,09 %
Sparebanken Sør	433 744	2,77 %
Sparebanken Vest	6 861 616	6,39 %
NEXT Biometrics	510 901	0,56 %
SpareBank 1 Sør-øst-Norge	1 771 308	2,81 %

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Please find below an overview of material interests in shares held by employees in Pareto Securities AS, in companies where a recommendation has been produced or distributed by Pareto Securities AS. "By material interest" means holdings exceeding a value of NOK 50 000.

Company	Analyst holdings*	Total holdings
AF Gruppen	0	1 825
Aker ASA	500	3 075
Aker BP	0	17 942
Aker Carbon Capture	0	10 721
Aker Clean Hydrogen	0	133 500
Aker Horizons	0	125 848
Aker Offshore Wind	0	164 028
American Shipping Co.	0	13 300
Aprila Bank ASA	0	22 675
Archer	0	30 170
ArcticZymes Technologies	0	684
Austevoll Seafood	0	3 600
AutoStore	0	1 685
B2Holding AS	0	13 940
Bonheur	0	32 075
Borregaard ASA	0	650
Bouvet	0	2 940
BRABank	0	31 499
BW Energy	0	56 765
BW Offshore	0	16 076
Circa Group	0	11 250
Cloudberry Clean Energy	0	100 000
DNB	0	48 639
DNO	0	151 978
Elkem	0	39 047
ELOP	0	130 000
Entra	0	9 806
Equinor	0	2 589
Europris	0	13 208
Fjordkraft Holding	0	21 317

Company	Analyst holdings*	Total holdings
Flex LNG	0	4 817
Frontline	0	79 748
Gjensidige Forsikring	0	7 734
Grieg Seafood	0	9 127
Hafslund	0	10 000
Huddly	0	908 173
HydrogenPro	0	37 552
Ice Fish Farm	0	2 000
Ice Group ASA	0	200 000
Kalera	0	26 752
Kittcon	0	18 386
Komplett Bank	0	209 400
Kongsberg Gruppen	0	36 023
KWS	75	75
Larøy Seafood Group	0	39 328
Meltwater	0	24 000
MerCell	0	24 863
Mowi	0	486
MPC Container Ships	0	84 164
NEXT Biometrics	0	510 901
NORBIT ASA	0	1 656
Nordic Semiconductor	0	5 391
Norco	0	790
Norse Atlantic	0	25 000
Norsk Hydro	0	94 189
Norske Skog	0	98 499
Northern Drilling Ltd.	0	77 319
NTS	0	2 172
Ocean Yield	0	32 650
Okeanis Eco Tankers	0	2 000
Orkla	0	20 983
Panor Energy	0	29 844
Pareto Bank	0	1 341 634
Pexip Holding	0	85 707
Protector Forsikring	0	14 000
Primo	0	4 000
Quantafuel	0	5 797
REC Silicon	0	39 716
Salmor	0	2 799
Sandnes Sparebank	0	4 013
Scatec	0	30 412
Seaway 7	0	4 000
Sparebank 1 Nord-Norge	0	3 350
Sparebank 1 SMN	0	12 740
Sparebank 1 SR-Bank	0	15 170
SpareBank 1 Østfold Akerhus	0	1 252
SpareBank 1 Østlandet	0	9 621
Sparebanken Sør	0	16 435
Sparebanken Vest	0	16 735
Sparebanken Øst	0	1 500
Stolt-Nielsen	0	1 817
Storebrand	0	25 698
Subsea 7	0	12 493
Telenor	0	12 052
TGS-NOPEC	0	600
Vow	0	8 681
Wallenius Wilhelmsen	0	17 800
XXL	0	20 923
Yara	0	15 428
Zaptec	0	14 000

This overview is updated monthly (last updated 15.12.2021).

*Analyst holdings refer to positions held by the Pareto Securities AS analyst covering the company.

Appendix B

Disclosure requirements in accordance with Article 6(1)(c)(iii) of Commission Delegated Regulation (EU) 2016/958

Overview over issuers of financial instruments where Pareto Securities AS have prepared or distributed investment recommendation, where Pareto Securities AS have been lead manager/co-lead manager or have rendered publicly known not immaterial investment banking services over the previous 12 months:

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ZG Energy	Norco
Advanzia Bank S.A.	Norlandia Health & Care Group AS
Aker ASA	Norsee Atlantic
Aker Clean Hydrogen	Norsk Skog
Aker Horizons	Norwegian Block Exchange
Akershus Energi	Panoro Energi
Arcane Crypto	Petronor E&P
Arctic Fish	PetroTal
Arndals Fossekompagni	PHM Group
Attensi	Ping Petroleum UK Limited
Bar ramundi Group Pte. Ltd.	polight
Belships	Prinofa AS
Biolnvent	Proximar Seafood
Biomega Group AS	Pryme
Bonheur	Pyrum Innovations
Boreal Holding AS	Saga Robotics
Bulk Infrastructure Holding	Salmon Evolution
BW Energy	Seafire AB
BWLPG	Seagems Norway
BW Offshore	Seajacks
Cavai AS	SFL Corporation Ltd
CentraNic Group PLC	SGL TransGroup International A/S
Circa Group	Shamar Petroleum
Cloudberry Clean Energy	Scicar Point Energy
Dampskibsselskabet NORDEN A/S	Skitude
DLT	Smart Wires Inc.
DNO	Strandline Resources Limited
Documaster AS	Talos Energy Inc
EcoOnline	TEMPOTON GmbH
ELOP	Trander Energi AS
Enapter AG	Veglinans AS
Energian Israel Finance Ltd.	Vestby Logistik Holding
Enviv AS (Bookis)	Viking ACQ1 AS, SPAC
Fertiberia S.A. R.L.	Vow
First Camp Group AB	Waldorf Production UK Ltd
FREYR Battery	Wheel.me
Funkwerk AG	Xeneta AS
Gjensidige Forsikring	ZTL Payment Solution AS
Global Agrarjes (Fertiberia group)	Örsöf Twar
Golar LNG	
Golden Ocean Group	
Goliath Offshore	
Greentood	
Grøntvedt AS	
Hagal AS	
Halodi Robotics AS	
Heimdall Power	
HKN Energy Ltd	
Hofseth BioCare	
Huddly	
Ice Group Scandinavia Holdings AS	
Immunopharma	
JP/Politiken's Forlag	
Kalera	
Kebony	
Kentech Global Plc	
Keppel FELS Limited	
Kistos plc.	
KLP	
KMCP Properties	
Komplett ASA	
Komplett Bank	
Kraft Bank	
Kruse Smith	
Lakers Holding AS	
Lerøy Seafood Group	
Lumaine AS	
Maha Energy	
Malorima Holding AS	
Mathesa Bostadsbolaget AB	
Mercell	
Mime Petroleum	
Modex AS	
Mutaras SE & Co. KGaA	
Müller Medien GmbH (United Vertical Media GmbH)	
Navios Maritime Acquisitions	
Next Biometrics Group	

This overview is updated monthly (this overview is for the period 31.11.2020 – 31.11.2021).

Appendix C

Disclosure requirements pursuant to the Norwegian Securities Trading Regulation § 3-11 (4)

Distribution of recommendations	
Recommendation	% distribution
Buy	71%
Hold	27%
Sell	3%
Distribution of recommendations (transactions*)	
Recommendation	% distribution
Buy	89%
Hold	11%
Sell	0%

* Companies under coverage with which Pareto Securities Group has on-going or completed public services in the previous 12 months

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Appendix D

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Azelio	Josemaria Resources	Sedana Medical
Bionvent	Implantica	Studentbostäder i Norden
Biovica International	Isol Medical AB	Surgical Science
Cibus Nordic Real Estate AB	Linkfire AS	Swedencare AB
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Borglunda Fastighets AB	Korsängen Fastighets AB (publ)	Origo Care AB (publ)
Bosjö Fastigheter AB	Krona Public Real Estate AB	Preservium Property AB

Members of the Pareto Group have entered into agreements concerning the inclusion of the company in question in Pareto Securities AB's research coverage universe with the following companies: None

This overview is updated monthly (last updated 15.12.2021).

Appendix E

Disclosure requirements in accordance with Article 6(1)(c)(i) of Commission Delegated Regulation (EU) 2016/958

Designated Sponsor

Pareto Securities acts as a designated sponsor for the following companies, including the provision of bid and ask offers. Therefore, we regularly possess shares of the company in our proprietary trading books. Pareto Securities receives a commission from the company for the

2G Energy *	Heidelberg Pharma *	Procredit Holding *
Biotech *	Intershop Communications AG	PSI SOFTWARE AG *
CORESTATE Capital Holding S.A.	Leifheit	PWO *
Daldrup & Söhne	Logwin *	S&T AG *
Demire	Manz AG *	SMT Scharf AG *
Epigenomics AG *	MAX Automation SE	Surteco Group *
Gesco *	Merkur Bank	Szygy AG *
Gerry Weber	MLP *	TAKKT AG
GFT Technologies *	Mutaras	Viscom *
Gigaset *	OVB Holding AG	

* The designated sponsor services include a contractually agreed provision of research services.

Appendix F

Disclosure requirements in accordance with Article 6(1)(c)(iv) of Commission Delegated Regulation (EU) 2016/958

Sponsored Research

Pareto Securities has entered into an agreement with these companies about the preparation of research reports and – in return – receives compensation.

Adler Modemaerkte	Express2ion Biotechnologies	Mynaric
Baywa	Gerry Weber	Mutaras
BB Biotech	Hypoport AG	OHB SE
CLIQ Digital	Intershop Communications AG	OVB Holding AG
Daldrup & Söhne	Leifheit	Siegrfried Holding AG
Dermapharma Holding SE	MAX Automation SE	
Enapter	Merkur Bank	

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