

# Odfjell Drilling

## 22% '26e FCFE yield on 100% coverage

- No weakness in rates with latest fixture at ~ USD 500kpd
- Positive news flow to continue through '25e
- 22% '26 FCFE yield on 100% coverage – BUY

### Rates remain at ~USD 500kpd

We model Q4e EBITDA USD 89m, broadly in line with FactSet consensus at USD 87m, and NIBD dropping to USD 563m, implying 1.7x NIBD/EBITDA, close to its medium/long term target of ~1.5x. The recent Atlantic contract at USD 502kpd was in line with our USD 500kpd assumption, which means that ODL is now 100% contracted through 2026. This was the first contract since May last year, and given some uncertainty on rates in in Norway amid a softening international rig market and questions about long-term NCS activity, we believe it is a clear positive to see rates holding up.

### More positive news flow to come in 2025

We expect the positive news flow to continue in 2025. Firstly we expect more contracts, as ODLs extensions under the current frame agreements are to be finalised at least 12 months ahead of contract expiration, and ODL having two rigs ending contract year-end '26. Secondly, there should be opportunities to optimise the capital structure given the strong backlog and low leverage. The bond yields ~7.2% and is callable at 104.625, while any form of refinance/amendments on bond and/or bank debt could increase FCFE yield to 24-28% in '26e. ODL could pay all this to shareholders, and the narrative on increasing dividends should begin with the Q4 report, where we expect 0.1/share, increasing through the year as SPSs are completed and rigs roll on to high.rate contracts.

### BUY, TP NOK 90

We still argue that ODL offers the best risk-reward of the drillers, which has only improved after the Atlantic contract. Despite now being 100% covered for '25-26 with positive triggers ahead, it is still trading at a large discount to floater peers with divi-adj. EV/EBITDA at 4-2.6x vs. peers at 5.8-4.0x. We raise our TP to NOK 90, implying 15% '26e FCFE yield (peers at ~10%), and expect the outperformance to continue.

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USDm	2022	2023	2024e	2025e	2026e
Sales	650	732	767	833	917
EBITDA	308	328	341	397	477
EBITDA margin (%)	47.4	44.8	44.5	47.7	52.1
EBIT adj.	136	307	158	214	293
EBIT adj. margin (%)	20.9	41.8	20.6	25.7	31.9
Pretax profit	99	222	86	159	248
EPS	0.39	0.94	0.30	0.59	0.96
EPS adj.	0.39	0.25	0.30	0.59	0.95
Sales growth (%)	-24.8	12.7	4.7	8.5	10.1
EPS growth (%)	24.1	nm	-67.5	95.4	61.2

Source: ABG Sundal Collier, Company Data

### Reason: Preview of results

BUY ● HOLD ○ SELL ○

### Oil & Oil Services

#### Estimate changes (%)

	2024e	2025e	2026e
Sales	0.1	1.2	0.6
EBIT	0.6	0.0	0.0
EPS	0.0	-1.1	-0.8

Source: ABG Sundal Collier

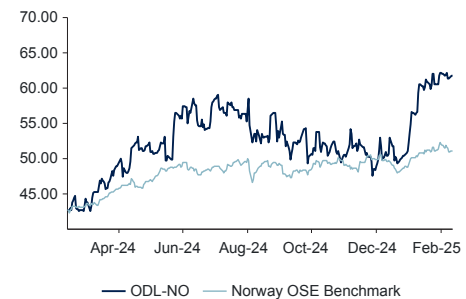
### ODL-NO/ODL NO

Share price (NOK)	10/2/2025	61.50
Target price	(85.0)	90.0

MCap (NOKm)	14,748
MCap (EURm)	1,268
No. of shares (m)	239.8
Free float (%)	39.1
Av. daily volume (k)	660

**Next event** Q4 Report 14 February 2025

### Performance



	2024e	2025e	2026e
P/E (x)	18.3	9.4	5.8
P/E adj. (x)	18.5	9.4	5.8
P/BVPS (x)	0.94	0.92	0.90
EV/EBITDA (x)	5.6	4.5	3.4
EV/EBIT adj. (x)	12.0	8.4	5.5
EV/sales (x)	2.47	2.15	1.75
ROE adj. (%)	5.1	9.9	15.6
Dividend yield (%)	4.3	8.3	14.7
FCF yield (%)	11.0	16.1	28.7
Le. adj. FCF yld. (%)	11.0	16.1	28.7
Net IB debt/EBITDA (x)	1.6	1.2	0.6
Le. adj. ND/EBITDA (x)	1.5	1.0	0.5

## Company description

Odfjell Drilling is a pure-play semi-submersible rig company. The company owns four ultra-deepwater (UDW) and harsh environment (HE) drilling units, and offers management services for rigs with similar capabilities.

[Sustainability information](#)

## Risks

The key risks to our estimates and valuation are developments in oil prices, oil companies' E&P spending and drilling demand, the underlying supply-demand balance for offshore drilling rigs and the ability to raise new capital.

## Fleet overview

Own fleet							2024		2025				2026				2027			
Rig name	Owner	Rig type	Built	Region	Operator	Status	Q4/24	Q1/25	Q2/25	Q3/25	Q4/25	Q1/26	Q2/26	Q3/26	Q4/26	Q1/27	Q2/27	Q3/27	Q4/27	
DS Stavanger	Odfjell Drilling	6G SS harsh	2010	Norway	Equinor	Drilling			SPS											
DS Atlantic	Odfjell Drilling	6G SS harsh	2009	Norway	Equinor	Drilling														
DS Aberdeen	Odfjell Drilling	6G SS harsh	2014	Norway	Equinor	Drilling			SPS											
DS Nordkapp	Odfjell Drilling	6G SS harsh	2019	Norway	Aker BP	Drilling										Unpriced		Priced		

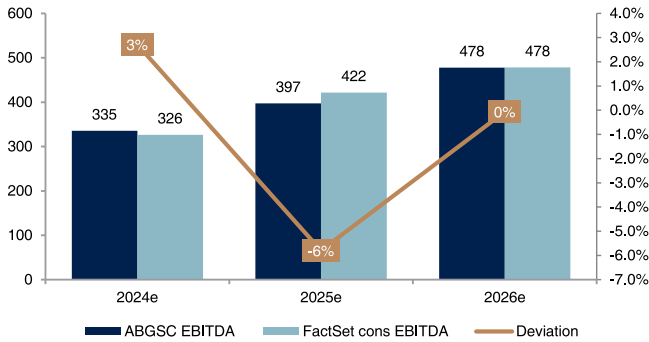
  

External fleet							2024		2025				2026				2027			
Rig name	Owner	Rig type	Built	Region	Operator	Status	Q4/24	Q1/25	Q2/25	Q3/25	Q4/25	Q1/26	Q2/26	Q3/26	Q4/26	Q1/27	Q2/27	Q3/27	Q4/27	
DS Yantai	Beacon Holdings	6G SS harsh	2019	Norway	DNO	Drilling														
DS Bollsta	Northern Ocean	6G SS harsh	2019	West Africa	na	Yard/mobe														
DS Mira	Northern Ocean	6G SS harsh	2019	West Africa	TotalEnergies	Drilling														
Hercules	SFL	6G SS harsh	2008	Norway	na	Warm stacked														

Contract: Option Yard/mobe

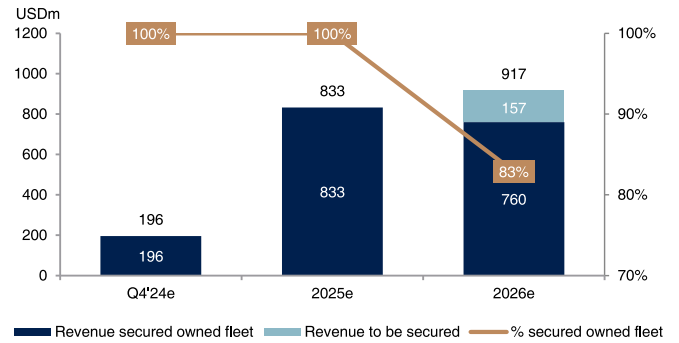
Source: ABG Sundal Collier, company data

## ABGSCe vs. FactSet consensus EBITDA



Source: ABG Sundal Collier, FactSet

## Share of revenue secured



Source: ABG Sundal Collier, company data

## Key estimates

### Key estimates

Odfjell Drilling	Cons.										Cons.				Cons.				Cons.					
USDm	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24e	Q4'24e	2022	2023	2024e	2025e	2026e	2027e	2024e	2025e	2026e	2027e	2024e	2025e	2026e	2027e	Dev.	Dev.	Dev.	Dev.
<b>Income Statement</b>	<b>FactSet</b>										<b>FactSet</b>				<b>FactSet</b>				<b>FactSet</b>					
Revenue	192	194	191	187	196	192	650	732	767	833	917	923	761	832	914	878	1%	0%	0%	5%				
Opex	-108	-109	-107	-104	-106	-105	-342	-404	-426	-436	-440	-448	-423	-422	-434	-431								
EBITDA	84	85	85	83	89	87	308	328	341	397	477	475	338	409	481	446	1%	-3%	-1%	6%				
EBITDA margins	44%	44%	44%	44%	46%	45%	47%	45%	45%	48%	52%	51%	44%	49%	53%	51%								
EBIT	35	37	42	37	43	41	136	307	159	215	294	291	157	228	299	263	1%	-6%	-2%	11%				
EBIT margins	18%	19%	22%	20%	22%	22%	21%	42%	21%	26%	32%	32%	21%	27%	33%	30%								
PTP	19	16	20	22	28	28	87	222	66	159	248	255	85	179	260	233	2%	-11%	-4%	10%				
Net profit	24	13	16	19	24	24	81	222	73	143	230	237	73	160	235	211	1%	-11%	-2%	12%				
EPS	0.10	0.05	0.07	0.08	0.10	0.10	0.34	0.94	0.30	0.59	0.96	0.99	0.32	0.67	0.99	0.89	-5%	-11%	-3%	11%				
DPS	0.06	0.06	0.06	0.06	0.10	0.07	0.00	0.18	0.28	0.52	0.94	1.14	0.21	0.40	0.71	0.70	36%	29%	32%	63%				
<b>Key BS and CF figures</b>																								
Gross interest bearing debt	775	724	707	697	662		843	775	662	559	456	353												
Gross cash	129	95	111	118	100		157	129	100	100	184	199	126	150	264	230								
NIBD	646	629	595	579	563		685	646	563	459	272	154	535	404	164	8	5%	13%	66%	n.m				
NIBD/share	2.7	2.6	2.5	2.4	2.3		2.9	2.7	2.3	1.9	1.1	0.6												
NIBD/sh NOK	30.0	28.9	27.3	26.6	25.8		31.8	30.0	25.8	21.0	12.5	7.0												
Operating cash flow	67	64	72	68	60		275	265	262	319	410	421												
Capex	16	27	30	31	29		60	68	116	105	28	29	114	114	32	35	2%	-8%	-14%	-18%				
Free cash flow	51	37	42	37	31		164	179	146	214	382	392	134	198	368	338	9%	8%	4%	16%				
Free cash flow/share	0.2	0.2	0.2	0.2	0.1		0.7	0.8	0.6	0.9	1.6	1.6												
Dividends				14.4	14.4			28	57	110	195	273.4												
<b>Other figures</b>																								
<b>Own fleet</b>																								
Revenue	147	151	146	144	153		572	576	603	656	746	752												
EBITDA	76	79	78	78	83		298	305	317	372	453	451												
<b>External fleet</b>																								
Revenue	45	42	46	43	43		78	156	164	177	171	171												
EBITDA	7	6	7	5	6		10	23	24	25	24	24												
Contract coverage											100%				100%				100%					
Estimated average fleet day rate											353				424				480					
NIBD/EV											30%				26%				17%					
NIBD/rig											171				161				115					
NIBD/EBITDA	2.0x	1.8x	1.8x	1.7x			2.2x	2.0x	1.6x	1.2x	0.6x	0.3x												

Source: ABG Sundal Collier, FactSet, company data

### Estimate changes

USDm	New estimates			Old estimates			% change			# change		
	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E
Revenue	767.1	832.6	917.0	766.1	822.4	911.4	0%	1%	1%	1	10	6
Opex	-425.7	-435.7	-439.6	-425.7	-425.5	-433.7	0%	2%	1%	0.0	-10.2	-5.9
EBITDA	341.4	396.9	477.4	340.4	396.9	477.8	0%	0%	0%	1	0	0
EBITDA margins	45%	48%	52%	44%	48%	52%	Opp	-1pp	Opp	0.0pp	0.0pp	0.0pp
EBIT	158.8	214.8	293.8	157.8	214.8	294.2	1%	0%	0%	1	0	0
EBIT margins	21%	26%	32%	21%	26%	32%	Opp	Opp	Opp	Opp	Opp	Opp
PTP	86.0	159.2	248.1	85.4	160.6	249.9	1%	-1%	-1%	1	-1	-2
Net profit	72.9	142.5	229.8	72.3	144.2	231.7	1%	-1%	-1%	1	-2	-2
EPS	0.30	0.59	0.96	0.30	0.60	0.97	1%	-1%	-1%	0	0	0

Source: ABG Sundal Collier

Income Statement (USDm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Sales	662	698	823	930	864	650	732	767	833	917
COGS	-400	-441	-491	-510	-561	-342	-404	-426	-436	-440
Gross profit	263	258	332	420	304	308	328	341	397	477
Other operating items	11	2	0	0	0	0	0	0	0	0
<b>EBITDA</b>	<b>274</b>	<b>260</b>	<b>332</b>	<b>420</b>	<b>304</b>	<b>308</b>	<b>328</b>	<b>341</b>	<b>397</b>	<b>477</b>
Depreciation and amortisation	-161	-161	-185	-204	-182	-172	-185	-183	-182	-184
of which leasing depreciation	0	0	0	0	0	0	0	0	0	0
<b>EBITA</b>	<b>112</b>	<b>99</b>	<b>147</b>	<b>216</b>	<b>122</b>	<b>136</b>	<b>143</b>	<b>159</b>	<b>215</b>	<b>294</b>
EO Items	0	0	0	0	0	0	0	1	1	1
Impairment and PPA amortisation	0	0	0	0	0	0	163	-0	0	0
<b>EBIT</b>	<b>112</b>	<b>99</b>	<b>147</b>	<b>216</b>	<b>122</b>	<b>136</b>	<b>307</b>	<b>159</b>	<b>215</b>	<b>294</b>
Net financial items	-88	-67	-103	-71	-43	-38	-84	-73	-56	-46
<b>Pretax profit</b>	<b>25</b>	<b>32</b>	<b>44</b>	<b>146</b>	<b>78</b>	<b>99</b>	<b>222</b>	<b>86</b>	<b>159</b>	<b>248</b>
Tax	-3	-4	-3	-2	-4	-6	-0	-13	-17	-18
<b>Net profit</b>	<b>22</b>	<b>28</b>	<b>41</b>	<b>143</b>	<b>74</b>	<b>92</b>	<b>222</b>	<b>73</b>	<b>143</b>	<b>230</b>
Minority interest	0	0	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0	0	0
<b>Net profit to shareholders</b>	<b>22</b>	<b>28</b>	<b>41</b>	<b>143</b>	<b>74</b>	<b>92</b>	<b>222</b>	<b>73</b>	<b>143</b>	<b>230</b>
EPS	0.11	0.12	0.17	0.61	0.31	0.39	0.94	0.30	0.59	0.96
EPS adj.	0.11	0.12	0.17	0.61	0.31	0.39	0.25	0.30	0.59	0.95
Total extraordinary items after tax	0	0	0	0	0	0	0	1	1	1
Leasing payments	0	0	0	0	0	0	0	0	0	0
<i>Tax rate (%)</i>	<i>10.7</i>	<i>11.9</i>	<i>6.8</i>	<i>1.5</i>	<i>4.9</i>	<i>6.3</i>	<i>0.1</i>	<i>15.2</i>	<i>10.5</i>	<i>7.4</i>
<i>Gross margin (%)</i>	<i>39.6</i>	<i>36.9</i>	<i>40.3</i>	<i>45.2</i>	<i>35.1</i>	<i>47.4</i>	<i>44.8</i>	<i>44.5</i>	<i>47.7</i>	<i>52.1</i>
<i>EBITDA margin (%)</i>	<i>41.3</i>	<i>37.2</i>	<i>40.3</i>	<i>45.2</i>	<i>35.1</i>	<i>47.4</i>	<i>44.8</i>	<i>44.5</i>	<i>47.7</i>	<i>52.1</i>
<i>EBITA margin (%)</i>	<i>17.0</i>	<i>14.2</i>	<i>17.8</i>	<i>23.3</i>	<i>14.1</i>	<i>20.9</i>	<i>19.5</i>	<i>20.7</i>	<i>25.8</i>	<i>32.0</i>
<i>EBIT margin (%)</i>	<i>17.0</i>	<i>14.2</i>	<i>17.8</i>	<i>23.3</i>	<i>14.1</i>	<i>20.9</i>	<i>41.8</i>	<i>20.7</i>	<i>25.8</i>	<i>32.0</i>
<i>Pre-tax margin (%)</i>	<i>3.7</i>	<i>4.6</i>	<i>5.3</i>	<i>15.7</i>	<i>9.0</i>	<i>15.2</i>	<i>30.4</i>	<i>11.2</i>	<i>19.1</i>	<i>27.1</i>
<i>Net margin (%)</i>	<i>3.3</i>	<i>4.0</i>	<i>5.0</i>	<i>15.4</i>	<i>8.6</i>	<i>14.2</i>	<i>30.3</i>	<i>9.5</i>	<i>17.1</i>	<i>25.1</i>
<b>Growth Rates y-o-y</b>	-	-	-	-	-	-	-	-	-	-
<i>Sales growth (%)</i>	<i>0.7</i>	<i>5.5</i>	<i>17.9</i>	<i>12.9</i>	<i>-7.0</i>	<i>-24.8</i>	<i>12.7</i>	<i>4.7</i>	<i>8.5</i>	<i>10.1</i>
<i>EBITDA growth (%)</i>	<i>-3.9</i>	<i>-5.0</i>	<i>27.6</i>	<i>26.7</i>	<i>-27.8</i>	<i>1.4</i>	<i>6.7</i>	<i>4.0</i>	<i>16.3</i>	<i>20.3</i>
<i>EBITA growth (%)</i>	<i>-0.1</i>	<i>-11.6</i>	<i>47.6</i>	<i>47.7</i>	<i>-43.8</i>	<i>11.9</i>	<i>5.1</i>	<i>11.0</i>	<i>35.3</i>	<i>36.8</i>
<i>EBIT growth (%)</i>	<i>nm</i>	<i>-11.6</i>	<i>47.6</i>	<i>47.7</i>	<i>-43.8</i>	<i>11.9</i>	<i>nm</i>	<i>-48.2</i>	<i>35.3</i>	<i>36.8</i>
<i>Net profit growth (%)</i>	<i>-134.5</i>	<i>27.1</i>	<i>45.2</i>	<i>251.4</i>	<i>-48.2</i>	<i>24.1</i>	<i>140.6</i>	<i>-67.1</i>	<i>95.5</i>	<i>61.2</i>
<i>EPS growth (%)</i>	<i>-134.5</i>	<i>11.1</i>	<i>39.3</i>	<i>nm</i>	<i>-48.2</i>	<i>24.1</i>	<i>nm</i>	<i>-67.5</i>	<i>95.4</i>	<i>61.2</i>
<b>Profitability</b>	-	-	-	-	-	-	-	-	-	-
<i>ROE (%)</i>	<i>3.0</i>	<i>3.1</i>	<i>3.9</i>	<i>12.7</i>	<i>6.0</i>	<i>7.5</i>	<i>17.1</i>	<i>5.2</i>	<i>9.9</i>	<i>15.7</i>
<i>ROE adj. (%)</i>	<i>3.0</i>	<i>3.1</i>	<i>3.9</i>	<i>12.7</i>	<i>6.0</i>	<i>7.5</i>	<i>4.5</i>	<i>5.1</i>	<i>9.9</i>	<i>15.6</i>
<i>ROCE (%)</i>	<i>5.4</i>	<i>4.9</i>	<i>5.7</i>	<i>8.7</i>	<i>5.4</i>	<i>5.7</i>	<i>13.7</i>	<i>7.1</i>	<i>10.6</i>	<i>15.0</i>
<i>ROCE adj. (%)</i>	<i>5.4</i>	<i>4.9</i>	<i>5.7</i>	<i>8.7</i>	<i>5.4</i>	<i>5.7</i>	<i>6.0</i>	<i>7.1</i>	<i>10.5</i>	<i>14.9</i>
<i>ROIC (%)</i>	<i>5.3</i>	<i>4.6</i>	<i>6.5</i>	<i>9.5</i>	<i>5.3</i>	<i>6.3</i>	<i>7.2</i>	<i>6.7</i>	<i>9.9</i>	<i>14.8</i>
<i>ROIC adj. (%)</i>	<i>5.3</i>	<i>4.6</i>	<i>6.5</i>	<i>9.5</i>	<i>5.3</i>	<i>6.3</i>	<i>7.2</i>	<i>6.7</i>	<i>9.8</i>	<i>14.8</i>
<b>Adj. earnings numbers</b>	-	-	-	-	-	-	-	-	-	-
<i>EBITDA adj.</i>	<i>274</i>	<i>260</i>	<i>332</i>	<i>420</i>	<i>304</i>	<i>308</i>	<i>328</i>	<i>340</i>	<i>396</i>	<i>476</i>
<i>EBITDA adj. margin (%)</i>	<i>41.3</i>	<i>37.2</i>	<i>40.3</i>	<i>45.2</i>	<i>35.1</i>	<i>47.4</i>	<i>44.8</i>	<i>44.4</i>	<i>47.6</i>	<i>52.0</i>
<i>EBITDA lease adj.</i>	<i>274</i>	<i>260</i>	<i>332</i>	<i>420</i>	<i>304</i>	<i>308</i>	<i>328</i>	<i>340</i>	<i>396</i>	<i>476</i>
<i>EBITDA lease adj. margin (%)</i>	<i>41.3</i>	<i>37.2</i>	<i>40.3</i>	<i>45.2</i>	<i>35.1</i>	<i>47.4</i>	<i>44.8</i>	<i>44.4</i>	<i>47.6</i>	<i>52.0</i>
<i>EBITA adj.</i>	<i>112</i>	<i>99</i>	<i>147</i>	<i>216</i>	<i>122</i>	<i>136</i>	<i>143</i>	<i>158</i>	<i>214</i>	<i>293</i>
<i>EBITA adj. margin (%)</i>	<i>17.0</i>	<i>14.2</i>	<i>17.8</i>	<i>23.3</i>	<i>14.1</i>	<i>20.9</i>	<i>19.5</i>	<i>20.6</i>	<i>25.7</i>	<i>31.9</i>
<i>EBIT adj.</i>	<i>112</i>	<i>99</i>	<i>147</i>	<i>216</i>	<i>122</i>	<i>136</i>	<i>307</i>	<i>158</i>	<i>214</i>	<i>293</i>
<i>EBIT adj. margin (%)</i>	<i>17.0</i>	<i>14.2</i>	<i>17.8</i>	<i>23.3</i>	<i>14.1</i>	<i>20.9</i>	<i>41.8</i>	<i>20.6</i>	<i>25.7</i>	<i>31.9</i>
<i>Pretax profit Adj.</i>	<i>25</i>	<i>32</i>	<i>44</i>	<i>146</i>	<i>78</i>	<i>99</i>	<i>59</i>	<i>85</i>	<i>158</i>	<i>247</i>
<i>Net profit Adj.</i>	<i>22</i>	<i>28</i>	<i>41</i>	<i>143</i>	<i>74</i>	<i>92</i>	<i>59</i>	<i>72</i>	<i>142</i>	<i>229</i>
<i>Net profit to shareholders adj.</i>	<i>22</i>	<i>28</i>	<i>41</i>	<i>143</i>	<i>74</i>	<i>92</i>	<i>59</i>	<i>72</i>	<i>142</i>	<i>229</i>
<i>Net adj. margin (%)</i>	<i>3.3</i>	<i>4.0</i>	<i>5.0</i>	<i>15.4</i>	<i>8.6</i>	<i>14.2</i>	<i>8.0</i>	<i>9.4</i>	<i>17.0</i>	<i>25.0</i>

Source: ABG Sundal Collier, Company Data

Cash Flow (USDm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
EBITDA	274	260	332	420	304	308	328	341	397	477
Net financial items	-88	-67	-103	-71	-43	-38	-84	-73	-56	-46
Paid tax	-3	-4	-3	-2	-4	-6	-0	-13	-17	-18
Non-cash items	6	-13	6	2	7	-38	18	32	0	0
Cash flow before change in WC	190	176	232	349	264	226	262	288	325	413
Change in working capital	-24	45	-34	-3	-7	49	3	-25	-6	-3

<b>Cash Flow (USDm)</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
<b>Operating cash flow</b>	<b>166</b>	<b>221</b>	<b>198</b>	<b>346</b>	<b>257</b>	<b>275</b>	<b>265</b>	<b>262</b>	<b>319</b>	<b>410</b>
Capex tangible fixed assets	-29	-306	-430	-114	-98	-60	-68	-116	-105	-28
Capex intangible fixed assets	0	0	0	0	0	0	0	0	0	0
Acquisitions and Disposals	29	12	2	1	1	-51	-18	0	0	0
<b>Free cash flow</b>	<b>165</b>	<b>-73</b>	<b>-230</b>	<b>233</b>	<b>159</b>	<b>164</b>	<b>179</b>	<b>146</b>	<b>214</b>	<b>382</b>
Dividend paid	0	0	0	0	0	164	-28	-57	-110	-195
Share issues and buybacks	0	236	0	0	0	0	0	0	0	0
Leasing liability amortisation	0	0	0	0	0	0	0	0	0	0
Other non-cash items	-6	-2	-118	-23	-8	-141	-68	-7	0	0
<b>Balance Sheet (USDm)</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Goodwill	33	30	30	29	29	3	3	3	3	3
Other intangible assets	0	0	0	0	0	0	0	0	0	0
Tangible fixed assets	1,782	1,928	2,281	2,203	2,109	1,938	2,013	1,933	1,855	1,700
Right-of-use asset	0	0	0	0	0	0	0	0	0	0
Total other fixed assets	4	2	3	4	10	8	39	36	36	36
Fixed assets	1,819	1,960	2,313	2,236	2,147	1,949	2,055	1,971	1,894	1,738
Inventories	0	0	0	0	0	0	0	0	0	0
Receivables	137	103	174	162	155	100	100	109	121	128
Other current assets	15	39	29	36	41	13	25	24	27	28
Cash and liquid assets	166	175	170	207	173	157	129	100	100	184
<b>Total assets</b>	<b>2,138</b>	<b>2,276</b>	<b>2,686</b>	<b>2,640</b>	<b>2,515</b>	<b>2,219</b>	<b>2,309</b>	<b>2,204</b>	<b>2,142</b>	<b>2,079</b>
Shareholders equity	767	1,024	1,062	1,198	1,268	1,209	1,394	1,418	1,451	1,485
Minority	0	0	0	1	0	0	0	0	0	0
<b>Total equity</b>	<b>767</b>	<b>1,024</b>	<b>1,062</b>	<b>1,199</b>	<b>1,268</b>	<b>1,209</b>	<b>1,394</b>	<b>1,418</b>	<b>1,451</b>	<b>1,485</b>
Long-term debt	1,076	783	1,174	696	875	529	562	511	408	305
Pension debt	0	0	0	0	0	0	0	0	0	0
Convertible debt	0	0	0	0	0	0	0	0	0	0
Leasing liability	0	0	0	0	0	42	63	47	47	47
Total other long-term liabilities	23	10	58	64	54	3	2	3	3	3
Short-term debt	157	312	217	516	161	314	150	105	105	105
Accounts payable	35	42	46	53	43	50	71	78	86	92
Other current liabilities	79	105	130	114	114	74	67	43	43	44
<b>Total liabilities and equity</b>	<b>2,138</b>	<b>2,276</b>	<b>2,686</b>	<b>2,640</b>	<b>2,515</b>	<b>2,219</b>	<b>2,309</b>	<b>2,204</b>	<b>2,142</b>	<b>2,079</b>
Net IB debt	1,068	920	1,221	1,005	863	727	646	563	459	272
Net IB debt excl. pension debt	1,068	920	1,221	1,005	863	727	646	563	459	272
Net IB debt excl. leasing	1,068	920	1,221	1,005	863	685	582	516	412	225
Capital employed	2,001	2,118	2,453	2,410	2,305	2,093	2,169	2,081	2,010	1,941
Capital invested	1,835	1,944	2,283	2,203	2,132	1,936	2,040	1,981	1,909	1,757
Working capital	39	-6	28	31	39	-10	-13	12	18	21
<b>EV breakdown</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Market cap. diluted (m)	1,105	1,263	1,316	1,316	1,316	1,316	1,316	1,332	1,333	1,333
Net IB debt adj.	1,068	920	1,221	1,005	863	727	646	563	459	272
Market value of minority	0	0	0	1	0	0	0	0	0	0
Reversal of shares and participations	0	0	0	0	0	0	0	0	0	0
Reversal of conv. debt assumed equity	-	-	-	-	-	-	-	-	-	-
<b>EV</b>	<b>2,172</b>	<b>2,183</b>	<b>2,537</b>	<b>2,322</b>	<b>2,180</b>	<b>2,043</b>	<b>1,962</b>	<b>1,895</b>	<b>1,792</b>	<b>1,605</b>
Total assets turnover (%)	30.1	31.6	33.2	34.9	33.5	27.4	32.3	34.0	38.3	43.5
Working capital/sales (%)	4.0	2.3	1.3	3.2	4.0	2.2	-1.6	-0.0	1.8	2.1
<b>Financial risk and debt service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net debt/equity (%)	139.2	89.9	114.9	83.8	68.1	60.2	46.3	39.7	31.6	18.3
Net debt / market cap (%)	96.6	72.8	92.7	76.3	65.6	55.2	49.0	42.2	34.4	20.4
Equity ratio (%)	35.9	45.0	39.5	45.4	50.4	54.5	60.4	64.4	67.7	71.4
Net IB debt adj. / equity (%)	139.2	89.9	114.9	83.8	68.1	60.2	46.3	39.7	31.6	18.3
Current ratio	1.17	0.69	0.95	0.59	1.16	0.62	0.88	1.03	1.06	1.42
EBITDA/net interest	3.2	3.9	3.9	6.4	6.4	12.3	5.1	5.6	7.1	10.4
Net IB debt/EBITDA (x)	3.9	3.5	3.7	2.4	2.8	2.4	2.0	1.6	1.2	0.6
Net IB debt/EBITDA lease adj. (x)	3.9	3.5	3.7	2.4	2.8	2.2	1.8	1.5	1.0	0.5
Interest coverage	1.3	1.5	1.7	3.3	2.5	5.3	2.1	2.5	3.8	6.2

Source: ABG Sundal Collier, Company Data

<b>Share Data (USDm)</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Actual shares outstanding	199	227	237	237	237	237	237	240	240	240
Actual shares outstanding (avg)	199	227	237	237	237	237	237	240	240	240

Share Data (USDm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
All additional shares	-0	29	10	0	0	0	0	3	0	0
Issue month	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assumed dil. of shares from conv.	0	0	0	0	0	0	0	0	0	0
As. dil. of shares from conv. (avg)	0	0	0	0	0	0	0	0	0	0
Conv. debt not assumed as equity	0	0	0	0	0	0	0	0	0	0
No. of warrants	0	0	0	0	0	0	0	0	0	0
Market value per warrant	0	0	0	0	0	0	0	0	0	0
Dilution from warrants	0	0	0	0	0	0	0	0	0	0
Issue factor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Actual dividend per share	0.00	0.00	0.00	0.00	0.00	-0.69	0.12	0.24	0.46	0.82
Reported earnings per share	-	-	-	-	-	-	-	-	-	-

Source: ABG Sundal Collier, Company Data

Valuation and Ratios (USDm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Shares outstanding adj.	199	227	237	237	237	237	237	240	240	240
Diluted shares adj.	199	227	237	237	237	237	237	240	240	240
EPS	0.11	0.12	0.17	0.61	0.31	0.39	0.94	0.30	0.59	0.96
Dividend per share	0.00	0.00	0.00	0.00	0.00	-0.69	0.12	0.24	0.46	0.82
EPS adj.	0.11	0.12	0.17	0.61	0.31	0.39	0.25	0.30	0.59	0.95
BVPS	3.86	4.50	4.49	5.06	5.36	5.10	5.89	5.92	6.05	6.19
BVPS adj.	3.69	4.37	4.36	4.94	5.24	5.09	5.87	5.91	6.04	6.18
Net IB debt/share	5.37	4.05	5.16	4.24	3.65	3.07	2.73	2.35	1.91	1.13
Share price	61.50	61.50	61.50	61.50	61.50	61.50	61.50	61.50	61.50	61.50
Market cap. (m)	1,105	1,263	1,316	1,316	1,316	1,316	1,316	1,332	1,333	1,333
<b>Valuation</b>	-	-	-	-	-	-	-	-	-	-
P/E (x)	49.9	44.9	32.2	9.2	17.7	14.3	5.9	18.3	9.4	5.8
EV/sales (x)	3.28	3.13	3.08	2.50	2.52	3.14	2.68	2.47	2.15	1.75
EV/EBITDA (x)	7.9	8.4	7.6	5.5	7.2	6.6	6.0	5.6	4.5	3.4
EV/EBITA (x)	19.3	22.0	17.3	10.7	17.9	15.0	13.7	11.9	8.3	5.5
EV/EBIT (x)	19.3	22.0	17.3	10.7	17.9	15.0	6.4	11.9	8.3	5.5
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0	-12.5	2.2	4.3	8.3	14.7
FCF yield (%)	14.9	-5.8	-17.5	17.7	12.1	12.5	13.6	11.0	16.1	28.7
Le. adj. FCF yld. (%)	14.9	-5.8	-17.5	17.7	12.1	12.5	13.6	11.0	16.1	28.7
P/BVPS (x)	1.44	1.23	1.24	1.10	1.04	1.09	0.94	0.94	0.92	0.90
P/BVPS adj. (x)	1.50	1.27	1.27	1.13	1.06	1.09	0.95	0.94	0.92	0.90
P/E adj. (x)	49.9	44.9	32.2	9.2	17.7	14.3	22.4	18.5	9.4	5.8
EV/EBITDA adj. (x)	7.9	8.4	7.6	5.5	7.2	6.6	6.0	5.6	4.5	3.4
EV/EBITA adj. (x)	19.3	22.0	17.3	10.7	17.9	15.0	13.7	12.0	8.4	5.5
EV/EBIT adj. (x)	19.3	22.0	17.3	10.7	17.9	15.0	6.4	12.0	8.4	5.5
EV/CE (x)	1.1	1.0	1.0	1.0	0.9	1.0	0.9	0.9	0.9	0.8
<b>Investment ratios</b>	-	-	-	-	-	-	-	-	-	-
Capex/sales (%)	4.5	43.8	52.2	12.3	11.3	9.3	9.3	15.2	12.6	3.1
Capex/depreciation	0.2	1.9	2.3	0.6	0.5	0.4	0.4	0.6	0.6	0.2
Capex tangibles / tangible fixed assets	1.7	15.9	18.9	5.2	4.6	3.1	3.4	6.0	5.6	1.6
Capex intangibles / definite intangibles	--	--	--	--	--	--	--	--	--	--
Depreciation on intang / def. intang	--	--	--	--	--	--	--	--	--	--
Depreciation on tangibles / tangibles	9.06	8.33	8.12	9.26	8.63	8.86	9.21	9.45	9.82	10.80

Source: ABG Sundal Collier, Company Data

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	% of Total Rating	% of Total IBC	% of Total Rating by Type
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## Stock price, company ratings and target price history

Company: Odfjell Drilling

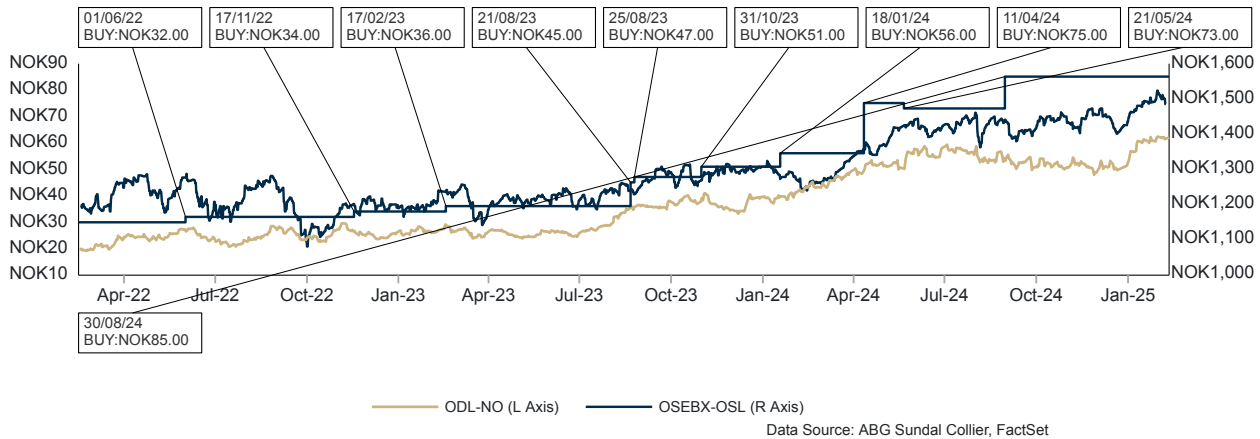
Currency: NOK

Current Recommendation: BUY

Date: 10/2/2025

Current Target price: 90.0

Current Share price: 61.50



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Production of recommendation: 2/11/2025 05:33.

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