Borr Drilling

Q4 2021 PRESENTATION

16 February 2022

FORWARD LOOKING STATEMENTS

This announcement includes forward looking statements. Forward looking statements are, typically, statements that do not reflect historical facts and may be identified by words such as "anticipate", "believe", "continue", "estimate", "expect", "intends", "may", "should", "will", "likely" and similar expressions and include expectations regarding industry trends and market outlook, including expected trends and activity levels in the jack-up rig and oil industry, expected financial results including expected revenues and Adjusted EBITDA and expected increase in EBITDA, , expected utilization levels and tendering activity, demand, statements with respect to fully contracting our fleet, contract backlog, LOIs and LOAs, tendering and contracting activity, market opportunities and contract terms including estimated duration of contracts and activity of rigs on particular contracts, expected number of rigs required, expected E&P capex, statements about our ability to improve financial performance and our financial obligations and maturities, statements as to market sentiment including statements made under “Market” above, expected trends in dayrates and statements about our liquidity and our debt and discussions with our creditors and plans to refinance our indebtedness to periods beyond 2023, risks and uncertainties relating to the COVID-19 pandemic and other non-historical statements. The forward-looking statements in this announcement are based upon various assumptions, many of which are based, in turn, upon further assumptions, which are, by their nature, uncertain and subject to significant known and unknown risks, contingencies and other factors which are difficult or impossible to predict and which are beyond our control. Such risks, uncertainties, contingencies and other factors could cause actual events to differ materially from the expectations expressed or implied by the forward-looking statements included herein. There are important factors that could cause our actual results, level of activity, performance, liquidity or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by these forward-looking statements including risks relating to our industry and business and liquidity, the risk of delays in payments to our Mexican JVs and payments from our JVs to us, the risk that our customers do not comply with their contractual obligations, risks relating to industry conditions and tendering activity, risks relating to contracting, including our ability to convert LOIs and LOAs into contracts, the risk that options will not be exercised, risks relating to our ability to secure contracts for our rigs and the rates that we will be able to achieve, risks relating to market trends, tender activity and rates, risks relating to the agreements we have reached with lenders, risks relating to our liquidity, that our available liquidity is not sufficient to meet our liquidity requirements and other risks relating to our available liquidity and requirements, risks relating to cash flows from operations, the risk that we may be unable to raise necessary funds through issuance of additional debt or equity or sale of assets; risks relating to our loan agreements and other debt instruments including risks relating to our ability to comply with covenants and obtain any necessary waivers and the risk of cross defaults, risks relating to our ability to meet our debt obligations including debt service obligations and maturities and new-build contract payments in 2023 and our other obligations and other risks described in our working capital statement included in our most recent audited financial statements, risks relating to future financings including the risk that future financings may not be completed when required and future equity financings will dilute shareholders and the risk that the foregoing would result in insufficient liquidity to continue our operations or to operate as a going concern and other risks factors set forth under “Risk Factors” in our filings with the U.S. Securities and Exchange Commission and prospectuses filed with the Norwegian NSA.

Modern Fleet & Strong Operational Team …

Modern Fleet & Global Presence

18 Contracted

5 Available

5 Under Construction

= **28 Total Rig count**

Financial Results

	Q3	Q4	
Revenue	73.0	69.1	(5)%
Opex	45.6	38.7	15%
EBITDA	20.0	25.0	+5.0
Free and restricted Cash	68.9	46.0	(22.9)

Source: Company data
Rigs in Mexico operated through a joint venture

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KEY FINANCIALS Q4 2021

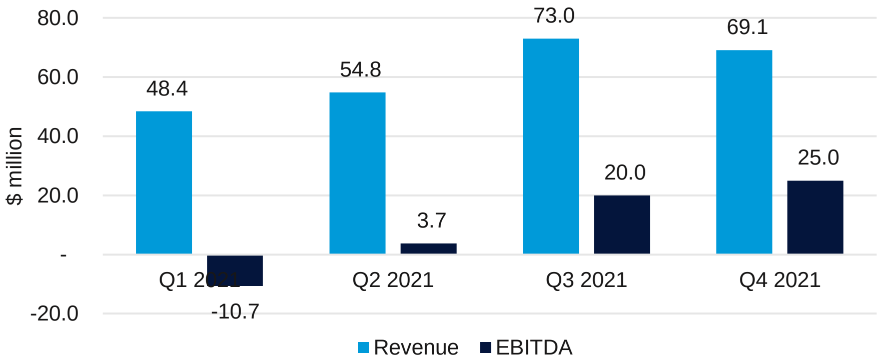
INCOME STATEMENT

USDm	FY 2021	Q4 2021	Q3 2021
Operating revenues	**245.3**	**69.1**	**73.0**
Rig operating and maintenance expenses	(180.5)	(38.7)	(45.6)
G&A	(34.7)	(7.5)	(7.7)
Total operating expenses	**(334.8)**	**(82.6)**	**(81.7)**
Operating loss	**(66.6)**	**(26.0)**	**(8.7)**
Income/(loss) from equity method investments	16.1	2.0	3.8
Total financial expenses net	(114.7)	(31.4)	(26.6)
Net loss	**(193.0)**	**(46.1)**	**(32.6)**
Adjusted EBITDA	**38.0**	**25.0**	**20.0**

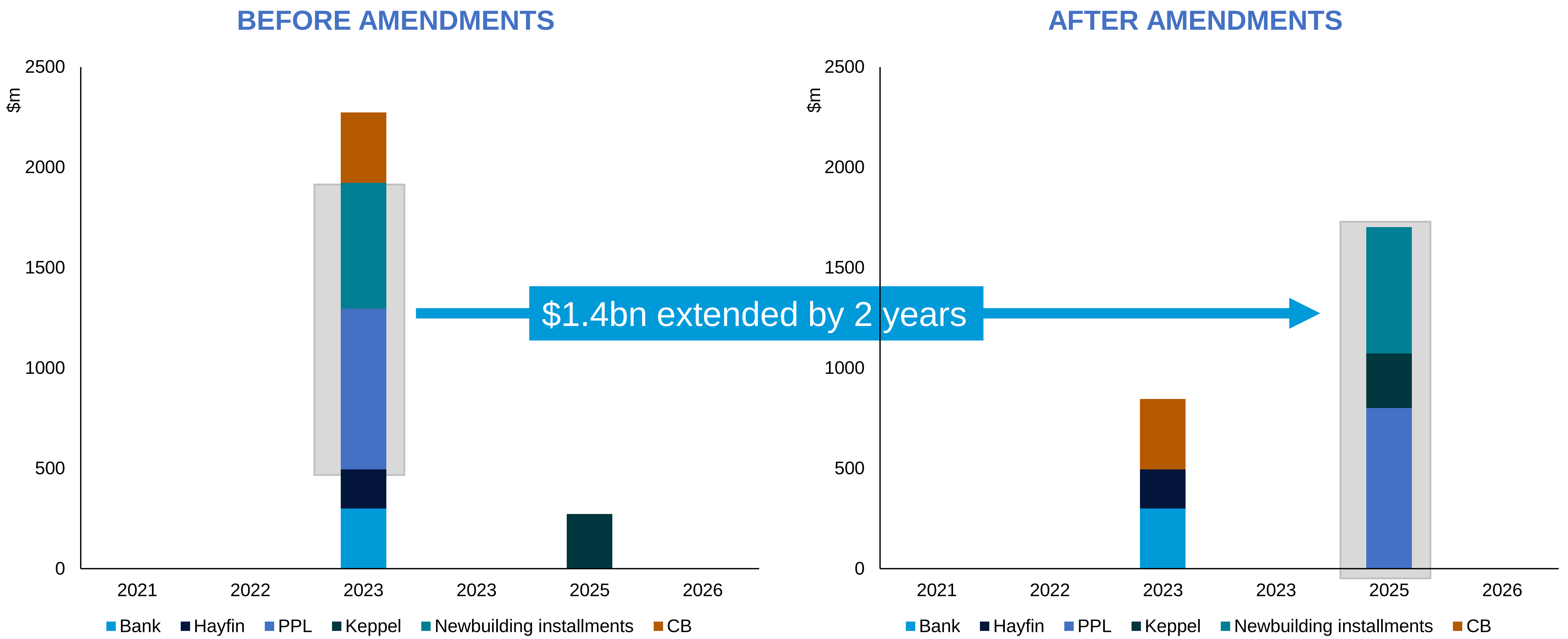
Balance sheet (USDm)	Q4 2021	Q3 2021
Total assets	3,080	3,108
Total liabilities	2,190	2,173
Total equity	890	936
Cash and cash equivalents	35	69
Restricted cash (short-term and long-term)	11	-

COMMENTS Q4 2021

- **Revenues** decreased by $3.9 million (5%) primarily as a result of a decrease in number of operational days for rigs on charter in comparison to the prior quarter
- **Rig operating and maintenance expenses** decreased by $6.9 million. The decrease is partially a result of fewer rigs on contract during the quarter. We also incurred costs for rigs that are being activated and preparing for upcoming contracts which has been recognized as deferred mobilization and contract preparation costs.
- **Total financial expenses** increased by $4.8 million primarily as a result of a $2.8 million release of provision in the prior quarter
- **Adjusted EBITDA** increased by $5 million reflecting the decrease in rig operating and maintenance expenses
- **Cash** decreased by $22.9 million in comparison to the prior quarter and is primarily driven by:
  - Cash used in operations of $24.3 million which includes interest and yard payments of $29 million;
  - Cash received from Mexico JVs of $6.3 million as return of shareholder funding
  - Additions to jack-up rigs of $5.3 million
  - In addition, $11.1 million was classified as restricted cash as collateral for performance guarantees for two contracts. $3.2 million will be released in Q1 2022.



Extension of $1.4 billion until 2025



FLEET STATUS FEBRUARY 2022

Rig Name	Location	2021–2024 (Q1–Q4)
Premium Jack-Ups		
Thor	Southeast Asia	Warm Stacked; LOA; Option
Gunnlod	Malaysia	PTTEP; IPC
Idun	Malaysia	Vestigo; Petronas Carigali; Petronas Carigali; Option
Mist	Thailand	ROC Oil; Warm Stacked; PTTEP; Option
Saga	Malaysia	JX Nippon; PTTEP; Hess
Skald	Thailand	PTTEP; Option
Gerd	Cameroon	Warm Stacked; ADDAX; Option
Natt	Congo	First E&P; Oriental; ENI; Option
Norve	Gabon	BWE; Vaalco; Option; BWE; Option
Groa	Qatar	Warm Stacked; QatarEnergy; Option
Prospector 1 [1]	Netherlands	One-Dyas; Neptune; Kistos; Neptune; Option
Prospector 5 [1]	United Kingdom / Netherlands	CNOOC; Dana
Ran [1]	United Kingdom / Mexico	Warm Stacked; Petrofac; Mob; Wintershall
Galar	Mexico	PEMEX
Gersemi	Mexico	PEMEX
Grid	Mexico	PEMEX
Njord	Mexico	PEMEX
Odin	Mexico	PEMEX
Frigg [1]	Cameroon	Warm Stacked
Gyme	Singapore	Warm Stacked
Heimdal	Singapore	Warm Stacked
Hermod	Singapore	Warm Stacked
Hild	Singapore	Warm Stacked
Jack-Ups Under Construction		
Tivar	KFELS shipyard, Singapore	Rig Delivery in May - 2025
Vale	KFELS shipyard, Singapore	Rig Delivery in July - 2025
Var	KFELS shipyard, Singapore	Rig Delivery in September - 2025
Huldra	KFELS shipyard, Singapore	Rig Delivery in October - 2025
Heidrun	KFELS shipyard, Singapore	Rig Delivery in December - 2025

Firm | Option | Available | Under Construction

Source: Company's Fleet Status Report

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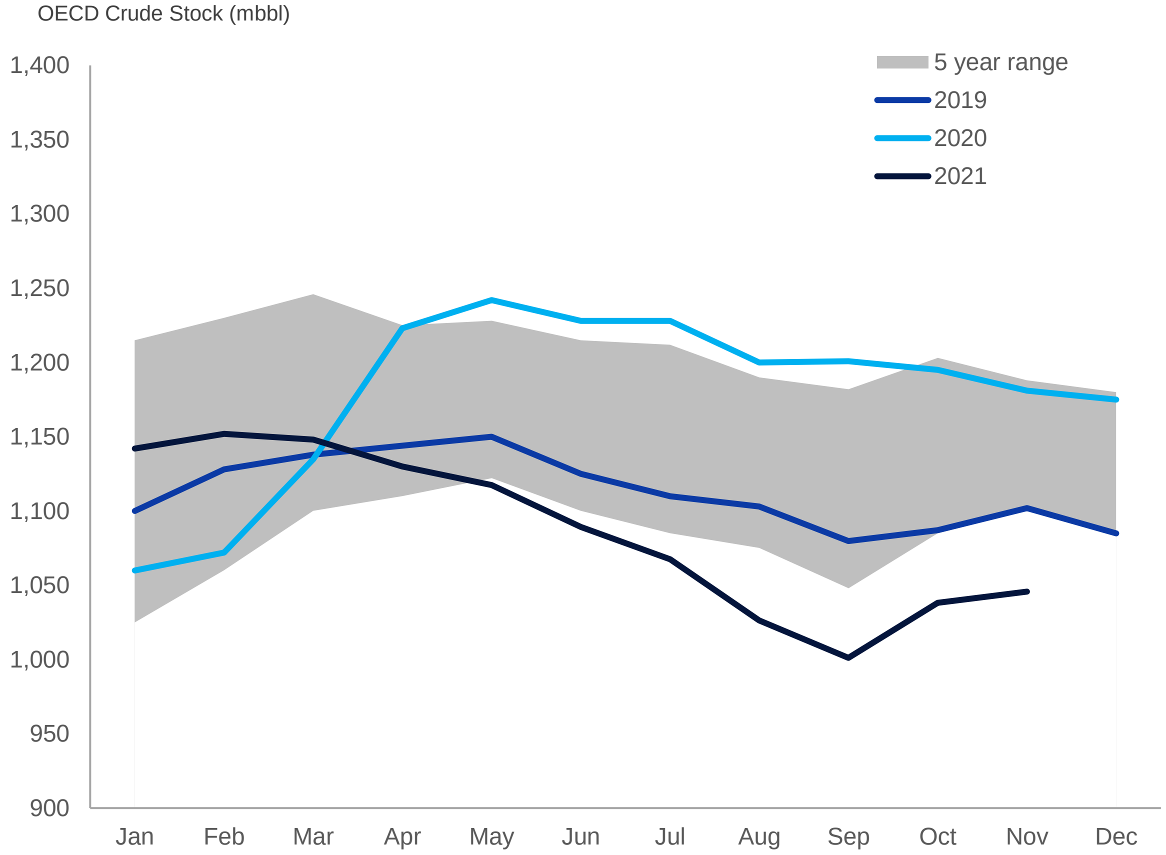
COMMODITY FUNDAMENTALS ARE CONSTRUCTIVE

OIL PRICE AT HIGHEST IN 7 YEARS…

… WHILE OIL INVENTORIES AT LOWEST IN 7 YEARS



Source:
lhs – Bloomberg, Brent Crude (CO1);
rhs – IEA, OECD total industry crude stock

CAPEX GROWTH TO DRIVE INCREASED ACTIVITY LEVELS

CAPEX SPENDING RECOVERING

Capex Spending ($m)			
	2021	2022e	Y-o-Y %
BP	8,018	8,990	12%
Chevron	9,614	12,600	31%
ConocoPhillips	5,324	7,200	35%
Equinor	8,040	9,000	12%
Exxon	12,254	16,425	34%
Hess Corp	1,829	2,600	42%
PTTEP	1,866	3,217	72%
Shell	12,037	12,500	4%
TotalEnergies	10,031	9,600	-4%
Total	**69,013**	**82,132**	**19%**

NOCs AMBITIOUS GROWTH TARGETS

OIL — 22 Nov 2020 | 12:18 UTC — Dubai

Abu Dhabi approves ADNOC spending, unveils oil discovery to boost Murban futures plan

Qatar's QP forecasts $82.5bn capex in 2021-25

Published date: 14 July 2021

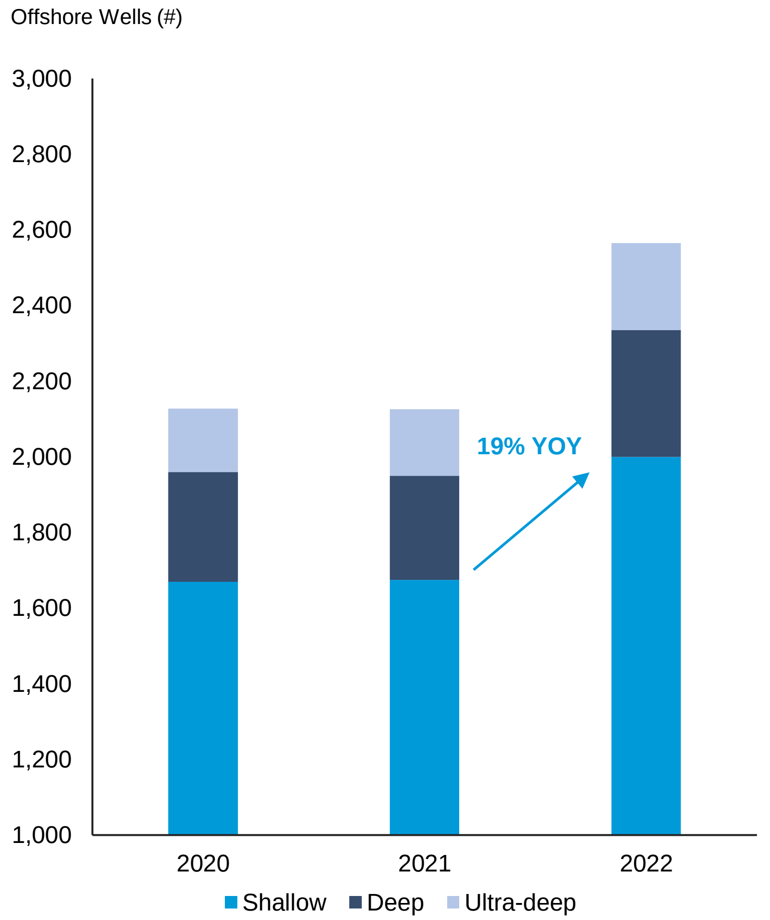
Share:

Qatar's state-owned oil and gas firm QP expects its capital expenditure (capex) to reach $82.5bn in 2021-25 as it pushes ahead with a massive expansion of its LNG capacity at home and pursues new projects abroad.

IHS-Petrodata - Potential contracts for 20 jackup rigs from Saudi Aramco

According to various news reports, Saudi Aramco plans to complete an increase in oil production capacity to 13 million barrels per day (bpd) from 12 million by 2027.

SHALLOW WATER REMAINS STRONG



Source:
lhs – SEB, Company reports;
rhs - IHS Markit;

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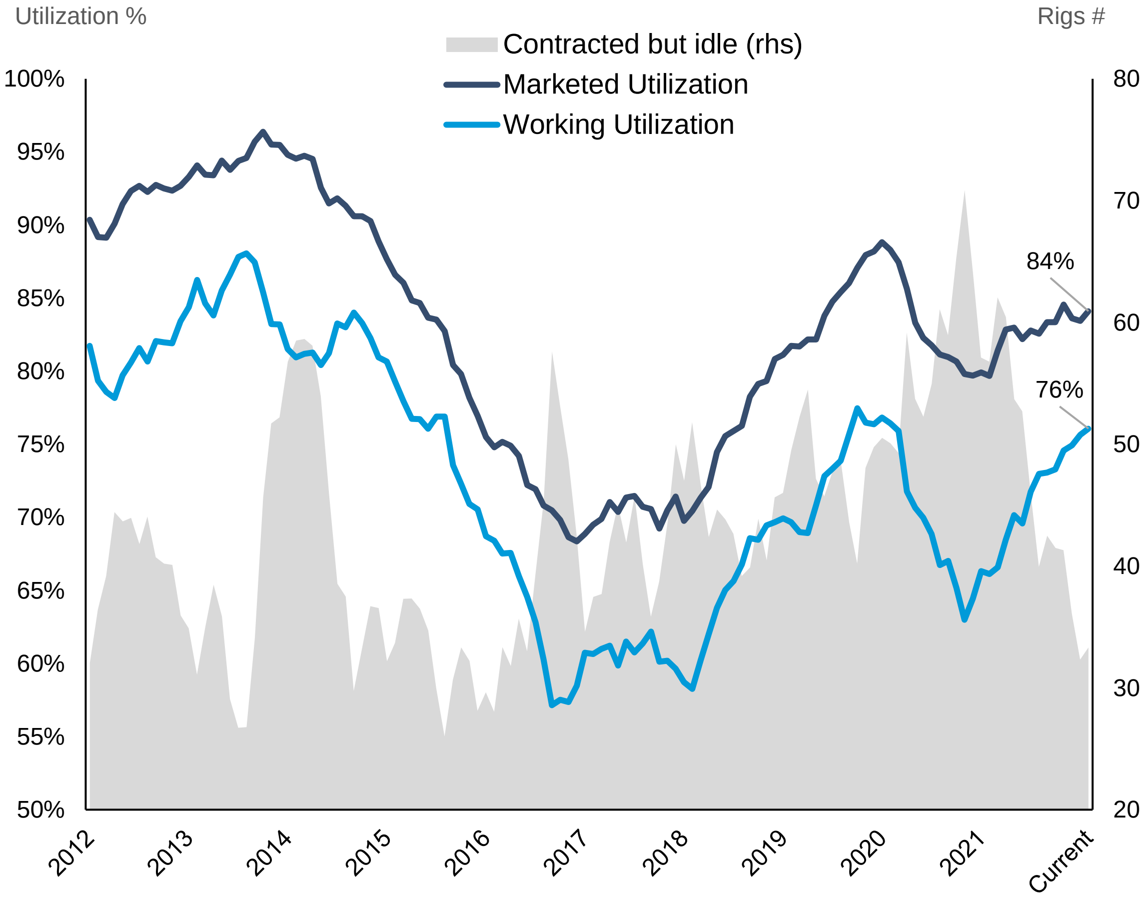
UTILIZATION RETURNING TO PRE-COVID LEVELS

UTILIZATION IS UP



… AND BOUND TO INCREASE FURTHER

RIG YEARS ON OFFER

Feb 2021	Feb 2022	Change
68 Rig Years	153 Rig Years	124% Increase YoY

Source:
lhs – IHS Petrodata, IC jackups
rhs – Company data

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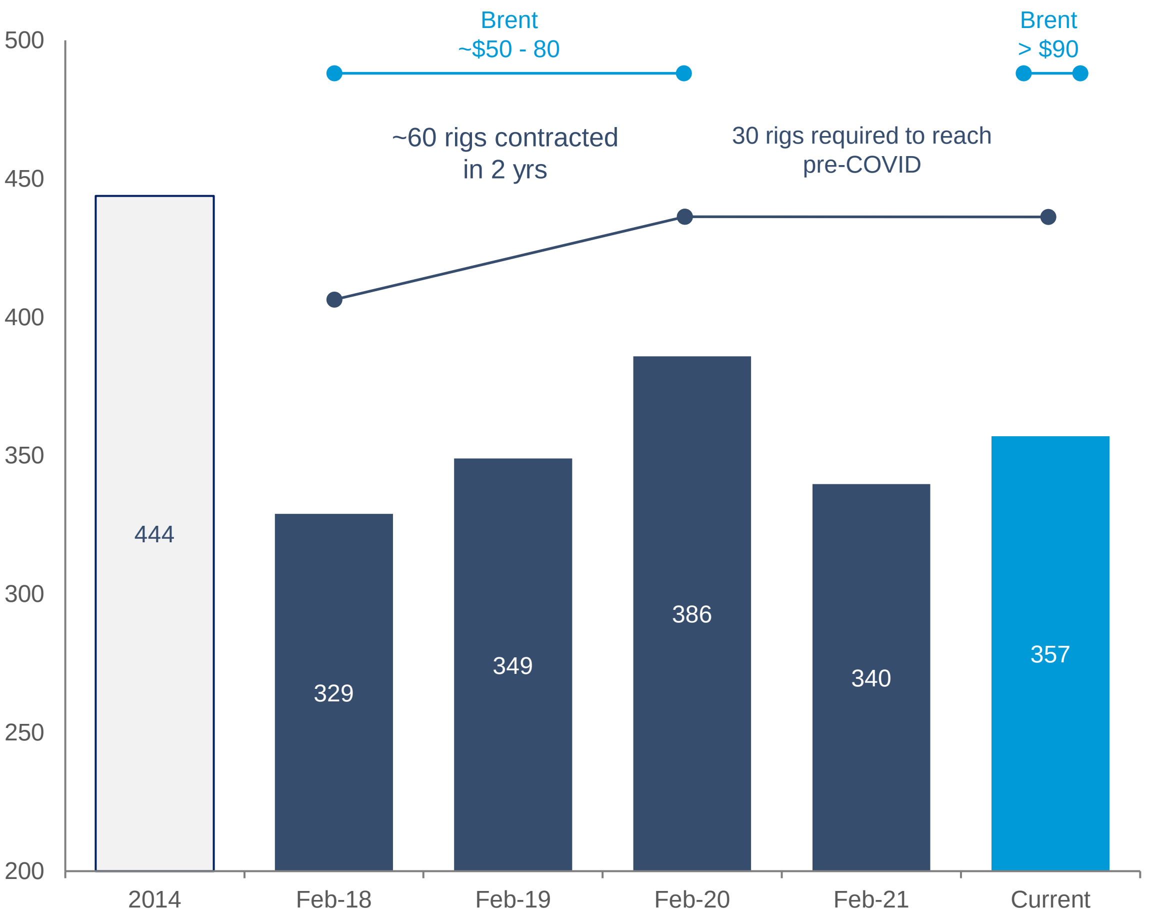
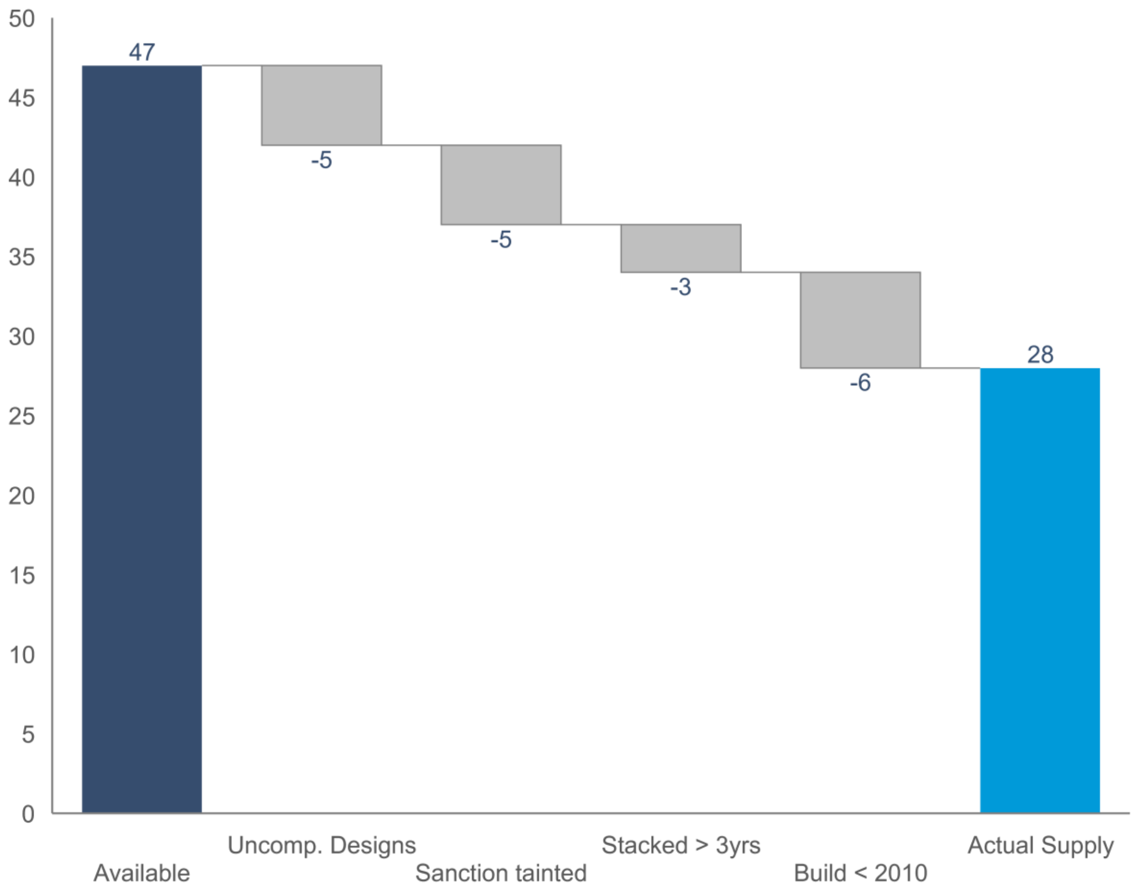
MODERN RIGS BOUND TO BE SHORT SUPPLIED

DEMAND RECOVERING WITH LARGE UPSIDE POTENTIAL



AND AVAILABILITY OF MODERN RIGS IS LIMITED



Source: IHS Petrodata
Modern are rigs built in 2000 or later

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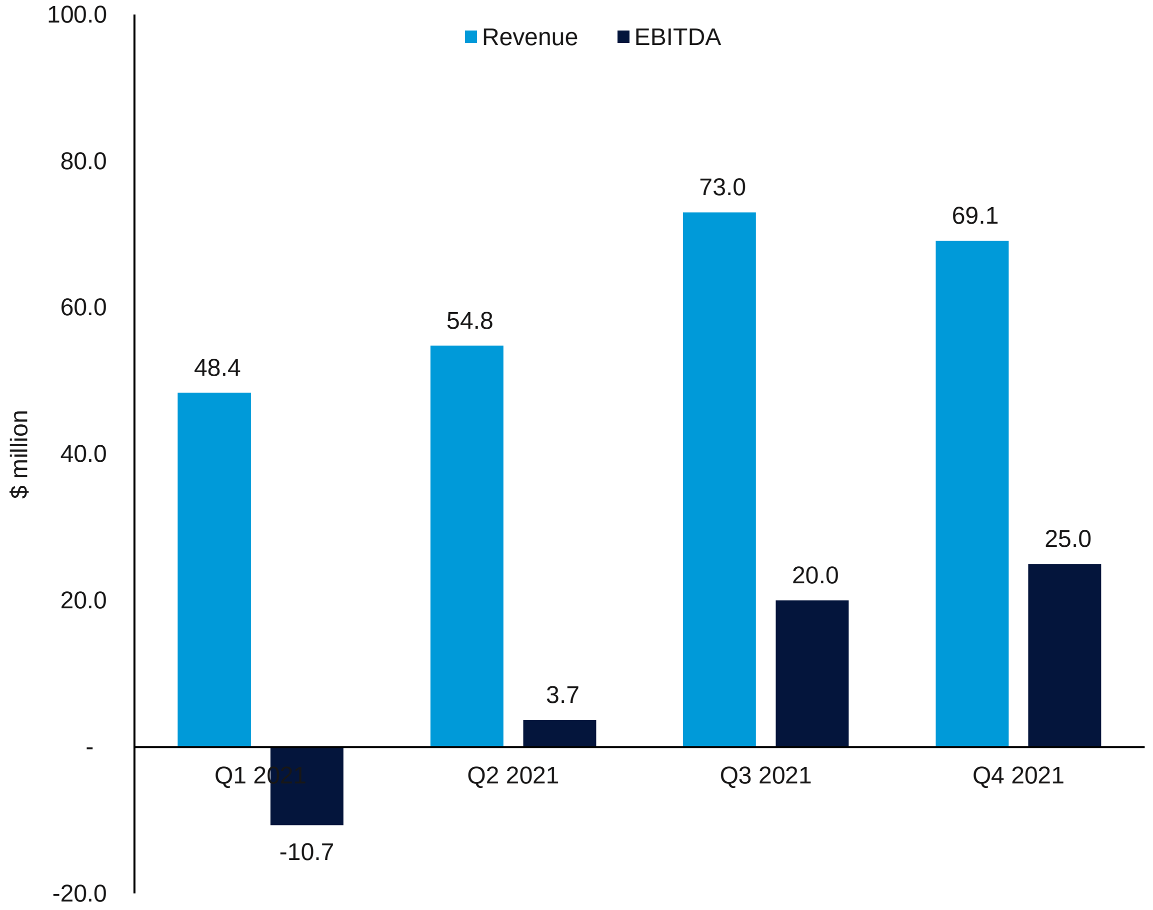
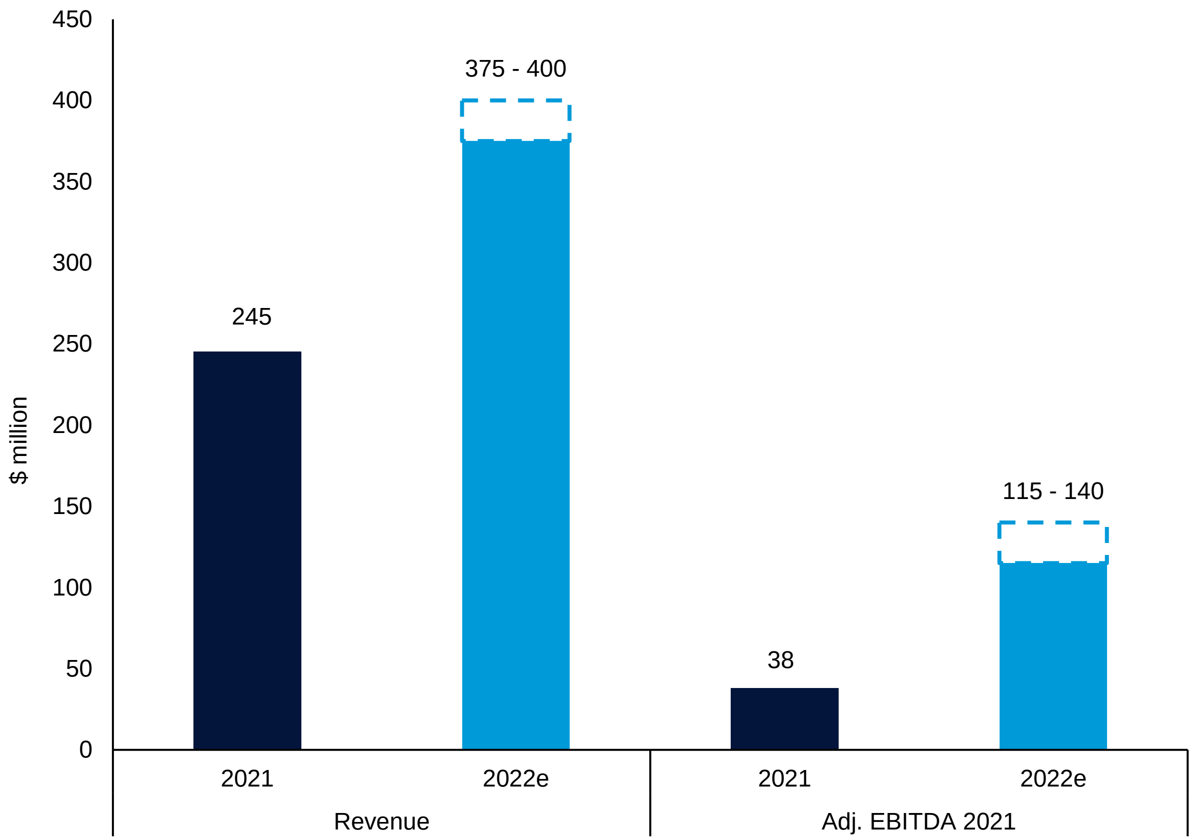
GUIDANCE 2022

2021 RESULTS



2021 vs 2022 GUIDANCE



1 The Company uses certain financial information calculated on a basis other than in accordance with accounting principles generally accepted in the United States (US GAAP) including Adjusted EBITDA. Adjusted EBITDA as used above represents our periodic net loss adjusted for: depreciation and impairment of non-current assets, other non-operating income; (income)/loss from equity method investments, total financial (income) expense net, income tax expense, amortization of deferred mobilization costs and revenue. Adjusted EBITDA is included here by the Company because the Company believes that the measure provides useful information regarding the Company's operational performance. For a reconciliation of Adjusted EBITDA to Net loss, please see the last page of this report.

2 The Company provides guidance based on guidance basis, which is a non-GAAP financial measure. Management evaluates the Company's financial performance in part based on guidance basis, which management believes enhances investors' understanding of the Company's overall financial performance by providing them with an additional meaningful relevant comparison of current and anticipated future results across periods. Due to the forward-looking nature of Adjusted EBITDA, management cannot reliably predict certain of the necessary components of the most directly comparable forward-looking GAAP measure. Accordingly the Company is unable to present a quantitative reconciliation of such forward looking non-GAAP financial measure to the most directly comparable forward-looking GAAP financial measure without unreasonable effort.

ILLUSTRATIVE ANNUAL CASH FLOW POTENTIAL

(based on 95% utilisation)			*Rate 2H 2019*	*20 year avg.*	*Peak*
Current status	**# of Rigs**	***@ $80,000/day***	***@ $100,000/day***	***@ $140,000/day***	***@ $250,000/day***
Contracted rigs	18	$171m	$296m	$545m	$1,232m
Warm stacked (guidance end 22)	5	$47m	$82m	$151m	$342m
Under Construction	5	$47m	$82m	$151m	$342m
G&A		-$38m	-$38m	-$38m	-$38m
Annual EBITDA Potential	**28**	**$228m**	**$422m**	**$810m**	**$1,878m**

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IN CONCLUSION

18 Rigs contracted – with current focus on rig activation & placing in operation

Market for modern rigs is tight – particularly for units ready to be deployed on a short notice

Maintaining expectation that all 23 delivered rigs will be contracted by 2022

Expect to finalize the extension of the 2023 debt maturities and commitments in the next quarter

Anticipating 50% increase in revenue 2022 vs. 2021 and Adj. EBITDA doubling from Q4 2021 to Q4 2022

BUILT TO MAKE A

DIFFERENCE

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NON GAAP MEASURES AND RECONCILIATIONS

- Set forth below is a reconciliation of the Company's Net Loss to Earnings Before Interest, Tax and Depreciation (“Adjusted EBITDA”)

(in US$ millions)	Q4 - 2021	Q3 - 2021
Net loss	**(46.1)**	**(32.6)**
Depreciation of non-current assets	36.4	28.4
Loss/(Income) from equity method investments	(2.0)	(3.8)
Financial expense	31.4	26.6
Income tax expense	3.7	4.7
Amortization of mobilization costs	3.4	1.7
Amortization of mobilization revenue	(1.8)	(1.4)
Gain on sale of investments in joint ventures	0.0	(3.6)
Adjusted EBITDA	**25.0**	**20.0**

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