Borr Drilling Limited Announces Fourth Quarter and Full Year 2022 Preliminary Results

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HAMILTON, Feb. 16, 2023 - Borr Drilling Ltd. ("Borr", "Borr Drilling" or the "Company") announces preliminary unaudited results for the three and twelve months ended December 31, 2022.

Highlights Fourth Quarter of 2022

- Total operating revenues of $148.6 million, an increase of $40.7 million or 38% compared to the third quarter of 2022.
- Net loss of $21.3 million, a decrease in loss of $33.6 million compared to the third quarter of 2022.
- Cash and cash equivalents of $108.0 million at the end of the fourth quarter of 2022.
- Adjusted EBITDA of $55.1 million, an increase of $11.2 million or 26% compared to the third quarter of 2022.
- Total contract revenue backlog on December 31, 2022 stood at $1.7 billion, an increase of nearly 200% year-on-year (including rigs in the Mexican JV on a 100% basis).

Subsequent events

- In January 2023, we successfully raised $400 million of gross proceeds through the issuance of a $250 million unsecured convertible bond due in 2028 and a $150 million senior secured bond due in 2026, which will be used to refinance our existing $350 million convertible bond due in May 2023 at or before maturity.
- In 2023 YTD, we have been awarded five new contracts, extensions, exercised options and letters of awards ("LOAs") representing 825 days and $100.6 million of potential revenue.

CEO, Patrick Schorn commented:

"Our fourth quarter showed strong performance, both from an operational and financial perspective. Both the technical and economic utilization of our fleet were above 98.5% for the quarter and at the same time our top line grew by 38%. This elevated level of technical utilization in a rapidly expanding operation is a clear testament to the strong service quality focus of our teams in the field. Safety, service quality and delivering the value our customers deserve, are the key priorities in our organization.

The rig "Frigg" is currently being prepared for work in the Middle East, where she will start operation as "Arabia III" in Q3 of this year. We are also activating our last rig "Hild" to be ready to commence operations in a similar timeframe. This would result in all 22 delivered rigs in our fleet to be contracted and active.

During the fourth quarter we completed the refinancing of our secured debt and extended maturities from 2023 to 2025 Subsequent to year-end, we have raised $400 million of additional debt through the issuance of a $250 million convertible bond and a $150 million secured bond, which will be used to refinance the outstanding $350 million convertible bond maturing in May 2023. With all near-term maturities addressed, our financial focus now turns to delivering on our guidance of Adjusted EBITDA between $360 million to $400 million for the full year 2023. The strong increase in Adjusted EBITDA and the subsequent deleveraging of the balance sheet could enable a global refinancing of the Company in 2024, which should ultimately accommodate dividend payments to shareholders."

CONTACT:
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The following files are available for download:

https://mb.cision.com/Public/16983/3716036/a614f5dd1d3a80b5.pdf Borr Drilling Ltd. Q4-22 Earnings Release

https://mb.cision.com/Public/16983/3716036/816fb0db7e629cc5.pdf Borr Drilling Fleet Status Report 16 February 2023

View original content:https://www.prnewswire.com/news-releases/borr-drilling-limited-announces-fourth-quarter-and-full-year-2022-p

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