

Vantage Drilling International Ltd. Reports Fourth Quarter and Full Year 2024 Results

DUBAI, March 20, 2025 (GLOBE NEWSWIRE) -- Vantage Drilling International Ltd. ("Vantage" or the "Company") reported a net gain attributable to shareholders of approximately \$55.5 million or \$4.17 per diluted share for the three months ended December 31, 2024, based on weighted average shares outstanding, as compared to a net loss attributable to shareholders of approximately \$14.6 million or \$1.10 per diluted share for three months ended December 31, 2023.

For the year ended December 31, 2024, Vantage reported net gain attributable to shareholders of approximately \$27.8 million or \$2.09 per diluted share for the year ended December 31, 2024, based on weighted average shares outstanding, as compared to a net loss attributable to shareholders of approximately \$15.4 million or \$1.16 per diluted share for the year ended December 31, 2023.

As of December 31, 2024, Vantage had approximately \$89.6 million in cash. This total includes \$20 million in pre-funding for reimbursement of rig upgrades on the *Tungsten Explorer*, \$6.2 million of restricted cash and \$8.3 million pre-funded by our Managed Services customers for near-term obligations. In comparison, as of December 31, 2023, Vantage had \$84.0 million in cash, including \$10.8 million of restricted cash and \$11.6 million pre-funded by our Managed Services customers.

Ihab Toma, CEO, commented: "The Company achieved significant milestones in the fourth quarter. We successfully finalized the sale of the *Topaz Driller* and *Soehanah* for \$190 million, commenced three 3-year management and support agreements, redeemed \$184.9 million of the Senior Notes, issued additional notes of \$50 million and continued our work on upgrading the *Platinum Explorer*. Furthermore, we completed the creation and incorporation of the joint venture and finalized all documents for the sale of the *Tungsten Explorer* into the joint venture which were then signed in early January 2025. These efforts reflect our commitment to the managed services segment and our focus on strengthening the company's balance sheet."

Mr. Toma continued, "The key milestones achieved this quarter highlight our capability to execute major transactions and our organization's ability to navigate this transitional period effectively."

Vantage, a Bermuda exempted company, is an offshore drilling contractor. Vantage's primary business is to contract drilling units, related equipment and work crews primarily on a dayrate basis to drill oil and natural gas wells globally for major, national and independent oil and gas companies. Vantage also markets, operates and provides management services in respect of third party-owned drilling units. For more information about the Company, please refer to the Company's website, www.vantagedrilling.com.

The information above includes forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934. These forward-looking statements are subject to certain risks, uncertainties and assumptions identified above or as disclosed from time to time in the Company's reports or filings posted to its website or otherwise made available to its investors or creditors. As a result of these factors, actual results may differ materially from those indicated or implied by such forward-looking statements. Vantage disclaims any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events or otherwise.

Non-GAAP Measures

We report our financial results in accordance with generally accepted accounting principles (GAAP) in the United States. However, in our earnings release and during our earnings calls we may reference company information that does not conform to GAAP. Generally, a non-GAAP financial measure is a numerical measure of a company's performance, financial position, or cash flows that excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and

presented in accordance with GAAP. Management believes that an analysis of this data is meaningful to investors because it provides insight with respect to ongoing operating results of the Company and allows investors to better evaluate the financial results of the Company. However, these measures should not be viewed as an alternative to or substitute for GAAP measures of performance, and these non-GAAP measures may not be consistent with previously published Company reports on Forms 10-K, 10-Q and 8-K. Non-GAAP measures we may reference have been reconciled to the nearest GAAP measure in the tables entitled Reconciliation of GAAP to Non-GAAP Financial Measures below.

This information is subject to disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.

Public & Investor Relations Contact:

Rafael Blattner
Chief Financial Officer
Vantage Drilling International Ltd.
+971 4 449 34 28

Vantage Drilling International Ltd.
Consolidated Statements of Operations
(In thousands, except per share data)

	Three months ended December 31,		Twelve months ended December 31,	
	2024	2023	2024	2023
Revenue				
Contract drilling services	\$ 59,394	\$ 68,831	\$ 188,987	\$ 260,611
Management fees	1,327	5,711	15,523	19,486
Reimbursables and other	3,638	19,980	34,763	103,039
Total revenue	64,359	94,522	239,273	383,136
Operating costs and expenses				
Operating costs	52,247	75,199	182,542	290,125
General and administrative	6,949	6,177	25,144	21,730
Depreciation	9,706	11,299	43,445	44,458
(Gain) loss on sale of assets	(86,993)	—	(86,993)	3
Total operating costs and expenses	(18,091)	92,675	164,138	356,316
Income from operations	82,450	1,847	75,135	26,820
Other income (expense)				
Interest income	439	309	1,144	750
Interest expense and other financing charges	(14,010)	(5,344)	(31,368)	(21,591)
Other, net	(1,895)	(385)	(1,652)	(405)
Total other expense	(15,466)	(5,420)	(31,876)	(21,246)
Income before income taxes	66,984	(3,573)	43,259	5,574
Income tax provision	11,478	10,776	15,758	21,479
Net income (loss)	55,506	(14,349)	27,501	(15,905)
Net income (loss) attributable to non-controlling interests	1	207	(313)	(529)
Net income (loss) attributable to shareholders	\$ 55,505	\$ (14,556)	\$ 27,814	\$ (15,376)
EBITDA ⁽¹⁾	\$ 90,261	\$ 12,761	\$ 116,928	\$ 70,873
Earnings (loss) per share				
Basic and diluted	\$ 4.17	\$ (1.10)	\$ 2.09	\$ (1.16)
Weighted average ordinary shares outstanding,				
Basic	13,295	13,229	13,281	13,217
Diluted	13,311	13,229	13,315	13,217

(1) EBITDA represents net income (loss) before (i) interest income (expense), (ii) provision for income taxes and (iii) depreciation and amortization expense. EBITDA is not a financial measure under GAAP as defined under the rules of the SEC, and is intended as a supplemental measure of our performance. We believe this measure is commonly used by analysts and investors to analyze and compare companies on the basis of operating performance.

Vantage Drilling International Ltd.
Supplemental Operating Data
(In thousands, except percentages)

	Three months ended December 31,		Twelve months ended December 31,	
	2024	2023	2024	2023
Operating costs and expenses				
<i>Jackups</i>	\$ 27,538	\$ 13,201	\$ 48,666	\$ 28,289
<i>Deepwater</i>	19,008	23,040	85,390	92,214
<i>Managed Rigs</i>	441	16,696	5,011	68,779
<i>Operations support</i>	2,951	3,161	12,034	11,501
<i>Reimbursables</i>	2,309	19,101	31,441	89,341
Total operating costs and expenses	\$ 52,247	\$ 75,199	\$ 182,542	\$ 290,125
Utilization				
<i>Jackups</i>	N/A	71.0%	N/A	79.0%
<i>Deepwater</i>	48.8%	83.9%	52.3%	81.8%
<i>Sold Rigs</i>	100.0%	N/A	66.8%	N/A

Vantage Drilling International Ltd.
Condensed Consolidated Balance Sheets
(In thousands, except share and par value information)

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 83,407	\$ 73,206
Restricted cash	913	1,828
Trade receivables, net of allowance for credit losses of \$5,798 and \$5,434, respectively	35,394	74,113
Materials and supplies	48,842	46,704
Prepaid expenses and other current assets	26,163	37,423
Total current assets	<u>194,719</u>	<u>233,274</u>
Property and equipment		
Property and equipment	540,243	660,449
Accumulated depreciation	(329,228)	(352,357)
Property and equipment, net	<u>211,015</u>	<u>308,092</u>
Operating lease ROU assets	402	1,084
Other assets	31,784	19,283
Total assets	<u>\$ 437,920</u>	<u>\$ 561,733</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 32,021	\$ 62,245
Other current liabilities	47,370	51,946
Total current liabilities	<u>79,391</u>	<u>114,191</u>
Long-term debt, net of unamortized issue costs and discount of \$694 and \$9,893, respectively	64,451	190,107
Other long-term liabilities	18,614	10,741
Shareholders' equity		
Ordinary shares, \$0.001 par value, 50 million shares authorized; 13,295,262 and 13,229,280 shares issued and outstanding each period	13	13
Additional paid-in capital	635,232	633,963
Accumulated deficit	(360,709)	(388,523)
Controlling interest shareholders' equity	<u>274,536</u>	<u>245,453</u>
Non-controlling interests	928	1,241
Total equity	<u>275,464</u>	<u>246,694</u>
Total liabilities and shareholders' equity	<u>\$ 437,920</u>	<u>\$ 561,733</u>

Vantage Drilling International Ltd.
Condensed Consolidated Statements of Cash Flows
(In thousands)

	Year Ended December 31,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ 27,501	\$ (15,905)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities		
Depreciation expense	43,445	44,458
Amortization of debt issuance costs and discounts	3,170	2,048
Share-based compensation expense	1,849	383
Loss on retirement of debt	9,581	703
Deferred income tax expense	321	624
(Gain) loss on disposal of property and equipment	79	—
(Gain) loss on sale of assets	(86,993)	3
Allowance for credit losses	371	—
Changes in operating assets and liabilities:		
Trade receivables, net	31,771	(11,337)
Materials and supplies	(13,299)	(5,453)
Prepaid expenses and other current assets	11,893	(11,803)
Other assets	(14,215)	4,421
Accounts payable	(30,182)	4,470
Other current liabilities and other long-term liabilities	7,736	(10,413)
Net cash (used in) provided by operating activities	(6,972)	2,199
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(34,238)	(14,094)
Net proceeds from disposal of property and equipment	80	—
Proceeds from sale of assets	188,929	—
Net cash provided by (used in) investing activities	154,771	(14,094)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	48,500	194,000
Proceeds from revolving credit facility	25,000	—
Repayment of long-term debt	(184,855)	(180,000)
Repayment of revolving credit facility	(25,000)	—
Shares repurchased for tax withholdings on settlement of RSUs	(441)	(246)
Payments of dividend equivalents	(3,272)	(5,278)
Debt issuance costs	(2,060)	(5,863)
Net cash (used in) provided by financing activities	(142,128)	2,613
Net increase (decrease) in unrestricted and restricted cash and cash equivalents	5,671	(9,282)
Unrestricted and restricted cash and cash equivalents—beginning of period	83,975	93,257
Unrestricted and restricted cash and cash equivalents—end of period	\$ 89,646	\$ 83,975

Vantage Drilling International
Non-GAAP Measures
(Unaudited, in thousands)

Reconciliation of EBITDA	Three months ended December 31,		Twelve months ended December 31,	
	2024	2023	2024	2023
Net income (loss)	\$ 55,506	\$ (14,349)	\$ 27,501	\$ (15,905)
Depreciation	9,706	11,299	43,445	44,458
Interest income	(439)	(309)	(1,144)	(750)
Interest expense and other financing costs	14,010	5,344	31,368	21,591
Income tax provision	11,478	10,776	15,758	21,479
EBITDA	\$ 90,261	\$ 12,761	\$ 116,928	\$ 70,873