

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: June 30, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-41520

**Noble Corporation plc**

(Exact name of registrant as specified in its charter)

England and Wales

98-1644664

(State or other jurisdiction of incorporation or organization)

(I.R.S. employer identification number)

13135 Dairy Ashford, Suite 800 Sugar Land, Texas, 77478

(Address of principal executive offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (281) 276-6100

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
A Ordinary Shares, par value \$0.00001 per share	NE	New York Stock Exchange
Tranche 1 Warrants of Noble Corporation plc	NE WS	New York Stock Exchange
Tranche 2 Warrants of Noble Corporation plc	NE WSA	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes  No

Number of shares outstanding at July 26, 2024: Noble Corporation plc -142,918,712

## TABLE OF CONTENTS

	Page
<b>PART I</b>	
<b><u>FINANCIAL INFORMATION</u></b>	
<b>Item 1</b>	
<b><u>Financial Statements (Unaudited)</u></b>	
Condensed Consolidated Balance Sheets as of June 30, 2024 and December 31, 2023	3
Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2024 and 2023	4
Condensed Consolidated Statements of Comprehensive Income (Loss) for the three and six months ended June 30, 2024 and 2023	5
Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2024 and 2023	6
Condensed Consolidated Statements of Equity for the three and six months ended June 30, 2024 and 2023	7
<b><u>Notes to Unaudited Condensed Consolidated Financial Statements</u></b>	
	9
<b>Item 2</b>	19
<b><u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u></b>	
<b>Item 3</b>	33
<b><u>Quantitative and Qualitative Disclosures about Market Risk</u></b>	
<b>Item 4</b>	33
<b><u>Controls and Procedures</u></b>	
<b>PART II</b>	
<b><u>OTHER INFORMATION</u></b>	
<b>Item 1</b>	35
<b><u>Legal Proceedings</u></b>	
<b>Item 1A</b>	35
<b><u>Risk Factors</u></b>	
<b>Item 2</b>	36
<b><u>Unregistered Sales of Equity Securities and Use of Proceeds</u></b>	
<b>Item 5</b>	36
<b><u>Other Information</u></b>	
<b>Item 6</b>	37
<b><u>Exhibits</u></b>	
<b><u>Index to Exhibits</u></b>	38
<b><u>SIGNATURES</u></b>	
	40

## PART I. FINANCIAL INFORMATION

### Item 1. Financial Statements

**NOBLE CORPORATION plc AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
 (In thousands, except share data)  
 (Unaudited)

	June 30, 2024	December 31, 2023
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 162,852	\$ 360,794
Accounts receivable, net	637,034	548,844
Taxes receivable	67,577	39,845
Prepaid expenses and other current assets	119,402	112,265
Total current assets	986,865	1,061,748
Intangible assets	4,356	10,128
Property and equipment, at cost	4,853,998	4,591,936
Accumulated depreciation	(640,185)	(467,600)
Property and equipment, net	4,213,813	4,124,336
Other assets	382,100	311,225
<b>Total assets</b>	<b>\$ 5,587,134</b>	<b>\$ 5,507,437</b>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities		
Accounts payable	\$ 340,161	\$ 395,165
Accrued payroll and related costs	68,179	97,313
Taxes payable	56,128	56,420
Interest payable	10,887	10,707
Other current liabilities	161,643	82,075
Total current liabilities	636,998	641,680
Long-term debt	622,051	586,203
Deferred income taxes	7,772	11,416
Noncurrent contract liabilities	2,241	50,863
Other liabilities	333,070	296,035
<b>Total liabilities</b>	<b>1,602,132</b>	<b>1,586,197</b>
<b>Commitments and contingencies (Note 10)</b>		
Shareholders' equity		
Common stock, \$0.00001 par value; 142,903,508 and 140,773,750 ordinary shares outstanding as of June 30, 2024, and December 31, 2023, respectively	1	1
Additional paid-in capital	3,338,030	3,377,048
Retained earnings	643,918	541,159
Accumulated other comprehensive income (loss)	3,053	3,032
<b>Total shareholders' equity</b>	<b>3,985,002</b>	<b>3,921,240</b>
<b>Total liabilities and equity</b>	<b>\$ 5,587,134</b>	<b>\$ 5,507,437</b>

See accompanying notes to the unaudited condensed consolidated financial statements.

**NOBLE CORPORATION plc AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
 (In thousands, except per share amounts)  
 (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Operating revenues</b>				
Contract drilling services	\$ 660,710	\$ 606,180	1,273,135	\$ 1,181,470
Reimbursables and other	32,134	32,355	56,793	67,119
	<u>692,844</u>	<u>638,535</u>	<u>1,329,928</u>	<u>1,248,589</u>
<b>Operating costs and expenses</b>				
Contract drilling services	335,854	362,533	725,721	724,322
Reimbursables	23,331	24,796	41,011	50,802
Depreciation and amortization	90,770	71,324	177,468	141,266
General and administrative	39,669	32,352	65,630	62,389
Merger and integration costs	10,618	22,452	19,949	34,083
(Gain) loss on sale of operating assets, net	(17,357)	—	(17,357)	—
Hurricane losses and (recoveries), net	—	15,934	—	19,478
	<u>482,885</u>	<u>529,391</u>	<u>1,012,422</u>	<u>1,032,340</u>
<b>Operating income (loss)</b>				
	209,959	109,144	317,506	216,249
<b>Other income (expense)</b>				
Interest expense, net of amounts capitalized	(11,996)	(14,662)	(29,540)	(31,534)
Gain (loss) on extinguishment of debt, net	—	(26,397)	—	(26,397)
Interest income and other, net	(8,183)	(2,940)	(12,918)	(914)
<b>Income (loss) before income taxes</b>				
	189,780	65,145	275,048	157,404
Income tax benefit (provision)	5,228	671	15,441	16,475
<b>Net income (loss)</b>				
	<u>\$ 195,008</u>	<u>\$ 65,816</u>	<u>\$ 290,489</u>	<u>\$ 173,879</u>
<b>Per share data</b>				
Basic:				
Net income (loss)	\$ 1.37	\$ 0.48	\$ 2.04	\$ 1.27
Diluted:				
Net income (loss)	\$ 1.34	\$ 0.45	\$ 1.99	\$ 1.19

See accompanying notes to the unaudited condensed financial statements.

**NOBLE CORPORATION plc AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
**(In thousands)**  
**(Unaudited)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Net income (loss)</b>	\$ 195,008	\$ 65,816	\$ 290,489	\$ 173,879
<b>Other comprehensive income (loss)</b>				
Net changes in pension and other postretirement plan assets and benefit obligations recognized in other comprehensive income (loss), net of tax provision (benefit) of \$10 and zero for the three months ended June 30, 2024 and 2023, respectively, and \$ 10 and \$2,436 for the six months ended June 30, 2024 and 2023, respectively.	50	41	21	(2,145)
Other comprehensive income (loss), net	50	41	21	(2,145)
<b>Comprehensive income (loss)</b>	<b>\$ 195,058</b>	<b>\$ 65,857</b>	<b>\$ 290,510</b>	<b>\$ 171,734</b>

See accompanying notes to the unaudited condensed consolidated financial statements.

**NOBLE CORPORATION plc AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(In thousands)**  
**(Unaudited)**

	<b>Six Months Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities</b>		
Net income (loss)	\$ 290,489	\$ 173,879
Adjustments to reconcile net income (loss) to net cash flow from operating activities:		
Depreciation and amortization	177,468	141,266
Amortization of intangible assets and contract liabilities, net	(42,850)	(84,737)
(Gain) loss on extinguishment of debt, net	—	26,397
(Gain) loss on sale of operating assets, net	(17,357)	—
Deferred income taxes	(47,039)	(57,179)
Amortization of share-based compensation	14,327	18,854
Other costs, net	(5,766)	5,404
Changes in components of working capital and other operating activities:		
Change in taxes receivable	(30,994)	(20,284)
Net changes in other operating assets and liabilities	(102,798)	(55,520)
Net cash provided by (used in) operating activities	<u>235,480</u>	<u>148,080</u>
<b>Cash flows from investing activities</b>		
Capital expenditures	(307,651)	(169,530)
Proceeds from insurance claims	8,528	—
Proceeds from disposal of assets, net	(690)	—
Net cash provided by (used in) investing activities	<u>(299,813)</u>	<u>(169,530)</u>
<b>Cash flows from financing activities</b>		
Issuance of debt	—	600,000
Borrowings on credit facilities	35,000	—
Repayments of debt	—	(673,411)
Debt extinguishment costs	—	(25,697)
Debt issuance costs	—	(24,914)
Warrants exercised	282	102
Share repurchases	—	(70,000)
Dividend payments	(116,581)	—
Taxes withheld on employee stock transactions	(53,627)	(8,355)
Net cash provided by (used in) financing activities	<u>(134,926)</u>	<u>(202,275)</u>
Net increase (decrease) in cash, cash equivalents, and restricted cash	(199,259)	(223,725)
<b>Cash, cash equivalents, and restricted cash, beginning of period</b>	<u>367,745</u>	<u>485,707</u>
<b>Cash, cash equivalents, and restricted cash, end of period</b>	<u>\$ 168,486</u>	<u>\$ 261,982</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

**NOBLE CORPORATION plc AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF EQUITY**  
**(In thousands)**  
**(Unaudited)**

	Shares		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Comprehensive Income (Loss)	Other	Total Equity
	Balance	Par Value					
<b>Balance at March 31, 2024</b>	<b>142,816</b>	<b>\$ 1</b>	<b>\$ 3,331,161</b>	<b>\$ 578,858</b>	<b>\$ 3,003</b>	<b>\$ 3,913,023</b>	
Employee related equity activity							
Amortization of share-based compensation	—	—	6,789	—	—	—	6,789
Issuance of share-based compensation shares	6	—	—	—	—	—	—
Shares withheld for taxes on equity transactions	—	—	(196)	—	—	—	(196)
Warrants exercised	82	—	276	—	—	—	276
Dividends	—	—	—	(129,948)	—	—	(129,948)
Net income (loss)	—	—	—	195,008	—	—	195,008
Other comprehensive income (loss), net	—	—	—	—	50	—	50
<b>Balance at June 30, 2024</b>	<b>142,904</b>	<b>\$ 1</b>	<b>\$ 3,338,030</b>	<b>\$ 643,918</b>	<b>\$ 3,053</b>	<b>\$ 3,985,002</b>	
<b>Balance at December 31, 2023</b>							
Employee related equity activity	140,774	\$ 1	\$ 3,377,048	\$ 541,159	\$ 3,032	\$ 3,921,240	
Amortization of share-based compensation	—	—	14,327	—	—	—	14,327
Issuance of share-based compensation shares	2,048	—	—	—	—	—	—
Shares withheld for taxes on equity transactions	—	—	(53,627)	—	—	—	(53,627)
Warrants exercised	82	—	282	—	—	—	282
Dividends	—	—	—	(187,730)	—	—	(187,730)
Net income (loss)	—	—	—	290,489	—	—	290,489
Other comprehensive income (loss), net	—	—	—	—	21	—	21
<b>Balance at June 30, 2024</b>	<b>142,904</b>	<b>\$ 1</b>	<b>\$ 3,338,030</b>	<b>\$ 643,918</b>	<b>\$ 3,053</b>	<b>\$ 3,985,002</b>	

See accompanying notes to the unaudited condensed consolidated financial statements.

**NOBLE CORPORATION plc AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF EQUITY - CONTINUED**  
**(In thousands)**  
**(Unaudited)**

	Shares		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Comprehensive Income (Loss)	Other	Total Equity
	Balance	Par Value					
<b>Balance at March 31, 2023</b>	<b>138,623</b>	<b>\$ 1</b>	<b>\$ 3,348,852</b>	<b>\$ 353,993</b>	<b>\$ 1,461</b>	<b>\$</b>	<b>3,704,307</b>
Employee related equity activity							
Amortization of share-based compensation	—	—	9,203	—	—	—	9,203
Issuance of share-based compensation shares	7	—	—	—	—	—	—
Shares withheld for taxes on equity transactions	—	—	(28)	—	—	—	(28)
Warrants exercised	4	—	81	—	—	—	81
Share repurchases	(1,550)	—	—	(60,000)	—	—	(60,000)
Net income (loss)	—	—	—	65,816	—	—	65,816
Other comprehensive income (loss), net	—	—	—	—	41	—	41
<b>Balance at June 30, 2023</b>	<b>137,084</b>	<b>\$ 1</b>	<b>\$ 3,358,108</b>	<b>\$ 359,809</b>	<b>\$ 1,502</b>	<b>\$</b>	<b>3,719,420</b>
<hr/>							
<b>Balance at December 31, 2022</b>	<b>134,681</b>	<b>\$ 1</b>	<b>\$ 3,347,507</b>	<b>\$ 255,930</b>	<b>\$ 3,647</b>	<b>\$</b>	<b>3,607,085</b>
Employee related equity activity							
Amortization of share-based compensation	—	—	18,854	—	—	—	18,854
Issuance of share-based compensation shares	447	—	—	—	—	—	—
Shares withheld for taxes on equity transactions	—	—	(8,355)	—	—	—	(8,355)
Warrants exercised	3,776	—	102	—	—	—	102
Share repurchases	(1,820)	—	—	(70,000)	—	—	(70,000)
Net income (loss)	—	—	—	173,879	—	—	173,879
Other comprehensive income (loss), net	—	—	—	—	(2,145)	—	(2,145)
<b>Balance at June 30, 2023</b>	<b>137,084</b>	<b>\$ 1</b>	<b>\$ 3,358,108</b>	<b>\$ 359,809</b>	<b>\$ 1,502</b>	<b>\$</b>	<b>3,719,420</b>

See accompanying notes to the unaudited condensed consolidated financial statements.

## **Note 1 — Organization and Basis of Presentation**

Noble Corporation plc, a public limited company incorporated under the laws of England and Wales ("Noble", the "Company", or "we"), is a leading offshore drilling contractor for the oil and gas industry. We provide contract drilling services to the international oil and gas industry with our global fleet of mobile offshore drilling units. Noble and its predecessors have been engaged in the contract drilling of oil and gas wells since 1921. As of the filing date of this report, our fleet of 31 drilling rigs consisted of 18 floaters and 13 jackups.

We report our contract drilling operations as a single reportable segment, Contract Drilling Services, which reflects how we manage our business. The mobile offshore drilling units comprising our offshore rig fleet operate in a global market for contract drilling services and are often redeployed to different regions due to changing demands of our customers, which consist primarily of large, integrated, independent and government-owned or controlled oil and gas companies throughout the world.

The accompanying unaudited condensed consolidated financial statements of Noble have been prepared pursuant to the rules and regulations of the US Securities and Exchange Commission ("SEC") as they pertain to Quarterly Reports on Form 10-Q. Accordingly, certain information and disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such rules and regulations. The unaudited financial statements are prepared on a going concern basis and reflect all adjustments that are, in the opinion of management, necessary for a fair statement of the financial position and results of operations for the interim periods, on a basis consistent with the annual audited consolidated financial statements. All such adjustments are of a recurring nature. The December 31, 2023, Condensed Consolidated Balance Sheet presented herein is derived from the December 31, 2023, audited consolidated financial statements. These interim financial statements should be read in conjunction with the audited consolidated financial statements and notes included in our Annual Report on Form 10-K for the year ended December 31, 2023, filed by Noble. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year.

## **Note 2 — Acquisitions**

### **Proposed Merger with Diamond Offshore Drilling**

On June 9, 2024, Noble entered into an agreement and plan of merger (the "Diamond Merger Agreement") with Diamond Offshore Drilling, Inc. ("Diamond"), Dolphin Merger Sub 1, Inc., and Dolphin Merger Sub 2, Inc., under which Noble will acquire Diamond in a stock plus cash transaction (the "Diamond Transaction"). Pursuant to the terms and conditions set forth in the Diamond Merger Agreement, Diamond shareholders will receive 0.2316 shares of Noble, plus cash consideration of \$5.65 per share for each share of Diamond stock, representing a premium of 11.4% to Diamond's closing share price on June 7, 2024. Upon closing of the Diamond Transaction, Diamond shareholders are expected to own approximately 14.5% of Noble's outstanding shares. Noble intends to fund the cash portion of the Diamond Transaction through new debt financing, which Noble has secured through a \$600.0 million committed bridge financing facility.

The Diamond Transaction has been unanimously approved by the board of directors of each company. The Diamond Merger Agreement contains certain termination rights, including, but not limited to, each party's right to terminate the Diamond Merger Agreement in the event that the Diamond Transaction has not been consummated on or before June 9, 2025 (the "End Date"); except that the End Date will automatically be successively extended to December 9, 2025, and June 9, 2026, if all required applicable regulatory approvals have not been obtained by what would otherwise be the End Date but all other conditions to closing have been satisfied. At 11:59 ET on July 24, 2024, the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 expired in connection with the pending merger. Completion of the Diamond Transaction is subject to the satisfaction of the remaining customary closing conditions, including approval by Diamond's stockholders and the receipt of informal clearance by the Australian Competition & Consumer Commission. A special meeting of Diamond stockholders to vote on the transaction is currently scheduled for 8:30 a.m. CDT on August 27, 2024.

## **Note 3 — Accounting Pronouncements**

### **Accounting Standards Adopted**

There have been no new accounting standards adopted during the current quarter.

**NOBLE CORPORATION plc AND SUBSIDIARIES**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unless otherwise indicated, dollar and share amounts in tables are in thousands, except per share data)

**Recently Issued Accounting Standards**

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-09 ("ASU 2023-09"), *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires, among other things, the following for public business entities: (i) enhanced disclosures of specific categories of reconciling items included in the rate reconciliation, as well as additional information for any of these items meeting certain qualitative and quantitative thresholds, (ii) disclosure of the nature, effect, and underlying causes of each individual reconciling item disclosed in the rate reconciliation and the judgment used in categorizing them if not otherwise evident, and (iii) enhanced disclosures for income taxes paid, which includes federal, state, and foreign taxes, as well as for individual jurisdictions over a certain quantitative threshold. The amendments in ASU 2023-09 eliminate the requirement to disclose the nature and estimate of the range of the reasonably possible change in unrecognized tax benefits for the 12 months after the balance sheet date. The provisions of ASU 2023-09 are effective for annual periods beginning after December 15, 2024; early adoption is permitted. The Company continues to evaluate the potential impact of this pronouncement.

In November 2023, the FASB issued ASU No. 2023-07 ("ASU 2023-07"), *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which requires, among other things, the following: (i) enhanced disclosures about significant segment expenses that are regularly provided to the chief operating decision maker and included in a segment's reported measure of profit or loss, (ii) disclosure of the amount and description of the composition of other segment items, as defined in ASU 2023-07, by reportable segment, and (iii) reporting the disclosures about each reportable segment's profit or loss and assets on an annual and interim basis. The provisions of ASU 2023-07 are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024; early adoption is permitted. The Company continues to evaluate the potential impact of this pronouncement.

## Note 4 — Income (Loss) Per Share

The following table presents the computation of basic and diluted income (loss) per share:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Numerator:</b>				
Net income (loss)	\$ 195,008	\$ 65,816	\$ 290,489	\$ 173,879
<b>Denominator:</b>				
Weighted average shares outstanding – basic	142,854	138,058	142,404	136,502
Dilutive effect of share-based awards	1,559	3,242	1,559	3,242
Dilutive effect of warrants	1,647	5,692	1,651	6,810
Weighted average shares outstanding – diluted	146,060	146,992	145,614	146,554
<b>Per share data</b>				
<b>Basic</b>				
Net income (loss)	\$ 1.37	\$ 0.48	\$ 2.04	\$ 1.27
<b>Diluted</b>				
Net income (loss)	\$ 1.34	\$ 0.45	\$ 1.99	\$ 1.19

Only those items having a dilutive impact on our basic income (loss) per share are included in diluted income (loss) per share. The following table displays the share-based instruments that have been excluded from diluted income (loss) per share since the effect would have been anti-dilutive:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Warrants <sup>(1)</sup>	2,774	2,774	2,774	2,774

<sup>(1)</sup> Represents the total number of warrants outstanding which did not have a dilutive effect. In periods where the warrants are determined to be dilutive, the number of shares which will be included in the computation of diluted

**NOBLE CORPORATION plc AND SUBSIDIARIES**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unless otherwise indicated, dollar and share amounts in tables are in thousands, except per share data)

shares is determined using the Treasury Stock Method, adjusted for mandatory exercise provisions under the warrant agreements, if applicable.

**Share Capital**

As of June 30, 2024, Noble had approximately 142.9 million A ordinary shares, par value \$ 0.00001 per share ("Ordinary Shares") outstanding as compared to approximately 140.8 million Ordinary Shares outstanding at December 31, 2023. In addition, as of June 30, 2024, 1.0 million Tranche 1 Warrants, 1.1 million Tranche 2 Warrants, and 2.8 million Tranche 3 Warrants (each as defined herein) were outstanding and exercisable. We also have 5.2 million Ordinary Shares authorized and reserved for issuance pursuant to equity awards under the Noble Corporation plc 2022 Long-Term Incentive Plan.

Our most recent quarterly dividend payment to shareholders, totaling approximately \$ 57.2 million (or \$0.40 per share), was declared on May 6, 2024, and paid on June 27, 2024, to shareholders of record at close of business on June 6, 2024.

On June 10, 2024, Noble's Board of Directors declared an interim quarterly cash dividend on our Ordinary Shares of \$ 0.50 per share for the third quarter of 2024. This dividend is in addition to the \$0.40 per share dividend previously announced which was paid on June 27, 2024, to shareholders of record at close of business on June 6, 2024. The \$0.50 dividend is expected to be paid on September 26, 2024, to shareholders of record at close of business on September 12, 2024. As of June 30, 2024, we had dividends accrued of \$71.5 million included in "Other current liabilities."

The declaration and payment of dividends require authorization of the Board of Directors, provided that such dividends on issued share capital may be paid only out of the Company's "distributable reserves" as determined by reference to relevant statutory accounts in accordance with English law. The Company is not permitted to pay dividends out of share capital, which includes share premiums. The payment of future dividends will depend on our results of operations, financial condition, cash requirements, future business prospects, the availability of sufficient distributable reserves, contractual and indenture restrictions, and other factors deemed relevant by the Board of Directors.

**Share Repurchases**

Under law, the Company is only permitted to purchase its own Ordinary Shares by way of an "off-market purchase" pursuant to a contract approved by shareholders. Such purchases may be paid for only out of Noble's "distributable reserves" as determined by reference to relevant statutory accounts in accordance with law. As of the date of this report, we have shareholder authority to repurchase up to 15% per annum of the issued share capital of the Company as of the beginning of each fiscal year for a five-year period (subject to an overall aggregate maximum of 20,601,161 Ordinary Shares). During the three and six months ended June 30, 2024, we did not repurchase any of our Ordinary Shares. During the three and six months ended June 30, 2023, we repurchased 1.6 million and 1.8 million of our Ordinary Shares, respectively, which were subsequently cancelled.

**Warrants**

The tranche 1 warrants (the "Tranche 1 Warrants") are exercisable for one Ordinary Share per warrant at an exercise price of \$ 19.27 per warrant, the tranche 2 warrants (the "Tranche 2 Warrants") are exercisable for one Ordinary Share per warrant at an exercise price of \$ 23.13 per warrant, and the tranche 3 warrants (the "Tranche 3 Warrants") are exercisable for one Ordinary Share per warrant at an exercise price of \$ 124.40 per warrant.

## Note 5 — Property and Equipment

Property and equipment, at cost, for Noble consisted of the following:

	June 30, 2024	December 31, 2023
Drilling equipment and facilities	\$ 4,471,409	\$ 4,338,229
Construction in progress	337,876	210,759
Other	44,713	42,948
<b>Property and equipment, at cost</b>	<b>\$ 4,853,998</b>	<b>\$ 4,591,936</b>

Capital additions, including capitalized interest, during the three months ended June 30, 2024 and 2023, totaled \$ 151.7 million and \$115.9 million, respectively, and during the six months ended June 30, 2024 and 2023, totaled \$266.6 million and \$170.9 million, respectively.

**NOBLE CORPORATION plc AND SUBSIDIARIES**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unless otherwise indicated, dollar and share amounts in tables are in thousands, except per share data)

During the second quarter of 2024, we sold the *Noble Explorer* for total proceeds of \$25.0 million, \$21.5 million of which was received in the fourth quarter of 2023, resulting in a pre-tax gain of \$17.4 million.

## **Note 6 — Debt**

### **Amended and Restated Senior Secured Revolving Credit Agreement**

In April 2023, Noble entered into the Amended and Restated Senior Secured Revolving Credit Agreement, dated April 18, 2023, and as amended on June 24, 2024 (the "2023 Revolving Credit Agreement"), by and among Noble Finance II LLC ("Noble Finance II"), Noble International Finance Company, and Noble Drilling A/S, as borrowers, the lenders and issuing banks party thereto from time to time and JPMorgan Chase Bank, N.A., as administrative agent, collateral agent, and security trustee (the 2023 Revolving Credit Agreement and the facility thereunder, the "2023 Revolving Credit Facility"). The 2023 Revolving Credit Facility provides for commitments of \$550.0 million with maturity in 2028. The guarantors (the "Guarantors") under the 2023 Revolving Credit Facility are the same subsidiaries of Noble Finance II that are or will be guarantors of the 2030 Notes (as defined below). As of June 30, 2024, we had \$35.0 million borrowings outstanding and \$23.2 million of letters of credit issued under the 2023 Revolving Credit Agreement.

#### **8.000% Senior Notes due 2030**

In April 2023, Noble Finance II, a wholly owned subsidiary of Noble, issued the \$ 600.0 million in aggregate principal amount of its 8.000% Senior Notes due 2030 (the "2030 Notes"). The 2030 Notes were issued pursuant to an indenture, dated April 18, 2023, among Noble Finance II, the Guarantors, and U.S. Bank Trust Company, National Association, as trustee.

The 2030 Notes are unconditionally guaranteed on a senior unsecured basis by the Guarantors and will be unconditionally guaranteed on the same basis by certain of Noble Finance II's future subsidiaries that guarantee certain indebtedness of Noble Finance II and the Guarantors, including the 2023 Revolving Credit Facility.

The 2030 Notes will mature on April 15, 2030, and interest on the 2030 Notes is payable semi-annually in arrears on each April 15 and October 15, commencing October 15, 2023, to holders of record on the April 1 and October 1 immediately preceding the related interest payment date, at a rate of 8.000% per annum.

The indenture governing the 2030 Notes contains a covenant that requires Noble Finance II to furnish to holders of the 2030 Notes certain financial information relating to Noble Finance II and its restricted subsidiaries. The obligation to furnish such information may be satisfied by providing financial information of Noble along with a description of the differences between such information and the financial information of Noble Finance II and its restricted subsidiaries on a standalone basis. As a result of Noble conducting substantially all of its business through Noble Finance II, the financial position and results of operations for Noble Finance II are the same as the information presented for Noble in all material respects. For the three and six months ended June 30, 2024, Noble Finance II's operating income (loss) was \$22.8 million and \$33.8 million higher, respectively, than that of Noble. For the three and six months ended June 30, 2023, Noble Finance II's operating income (loss) was \$16.3 million and \$30.8 million higher, respectively, than that of Noble. The operating income (loss) difference is primarily a result of expenses related to corporate legal costs and administration charges attributable to Noble for operations support and stewardship-related services.

#### **Second Lien Notes**

On February 5, 2021, pursuant to the Backstop Commitment Agreement, dated October 12, 2020, among the Debtors and the backstop parties thereto, Noble Cayman and Noble Finance Company consummated the Rights Offering of the Second Lien Notes and associated Noble Cayman Shares at an aggregate subscription price of \$200.0 million.

On April 18, 2023, we redeemed the remaining balance of approximately \$ 173.7 million aggregate principal amount of outstanding Second Lien Notes using a portion of the proceeds from the offering of the 2030 Notes, and recognized a loss of approximately \$25.7 million.

#### **DNB Credit Facility and New DNB Credit Facility**

On October 3, 2022 (the "Closing Date") the merger, pursuant to a Business Combination Agreement, dated November 10, 2021, as amended (the "Business Combination") by and among Noble, the Drilling Company of 1972 A/S, a Danish public limited liability company ("Maersk Drilling") and the other parties thereto, became effective and Noble guaranteed the Term and Revolving Facilities Agreement dated December 6, 2018, by and among Maersk Drilling, the rig owners and material intragroup charterers party thereto and DNB Bank ASA as agent (as amended from time to time, the "DNB Credit Facility") and on December 22, 2022, it was terminated and replaced with the New DNB Credit Facility. On April 18, 2023, we repaid

**NOBLE CORPORATION plc AND SUBSIDIARIES**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unless otherwise indicated, dollar and share amounts in tables are in thousands, except per share data)

the \$347.5 million of outstanding borrowings under the New DNB Credit Facility using a portion of the proceeds from the offering of the 2030 Notes, and recognized a loss of approximately \$0.7 million.

**DSF Credit Facility**

The Company guaranteed the DSF Credit Facility in connection with the Business Combination, and it was repaid in full on February 23, 2023, using cash on hand.

**Fair Value of Debt**

Fair value represents the amount at which an instrument could be exchanged in a current transaction between willing parties. The estimated fair value of our debt instruments was based on the quoted market prices for similar issues or on the current rates offered to us for debt of similar remaining maturities (Level 2 measurement). The fair values of each of the Revolving Credit Facility, the New DNB Credit Facility and the DSF Credit Facility approximates its respective carrying amount as its interest rate is variable and reflective of market rates.

The following table presents the carrying value, net of unamortized debt issuance costs and discounts or premiums, and the estimated fair value of our total debt, not including the effect of unamortized debt issuance costs, respectively:

	June 30, 2024		December 31, 2023	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
<b>Senior secured notes</b>				
8.000% Senior Notes due April 2030	\$ 587,051	\$ 623,508	\$ 586,203	\$ 626,472
<b>Credit facility</b>				
Amended and Restated Senior Secured Revolving Credit Facility matures April 2028	35,000	35,000	—	—
<b>Total debt</b>	<b>622,051</b>	<b>658,508</b>	<b>586,203</b>	<b>626,472</b>
Less: Current maturities of long-term debt	—	—	—	—
<b>Long-term debt</b>	<b>\$ 622,051</b>	<b>\$ 658,508</b>	<b>\$ 586,203</b>	<b>\$ 626,472</b>

## Note 7 — Revenue and Customers

**Disaggregation of Revenue**

The following table provides information about contract drilling services revenue by rig types:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Floaters	\$ 517,755	\$ 493,983	1,012,222	970,216
Jackups	142,955	112,197	260,913	211,254
<b>Total</b>	<b>\$ 660,710</b>	<b>\$ 606,180</b>	<b>\$ 1,273,135</b>	<b>\$ 1,181,470</b>

**Contract Balances**

Accounts receivable are recognized when the right to the consideration becomes unconditional based upon contractual billing schedules. Payment terms on invoiced amounts are typically 30 to 60 days. Customer contract assets and liabilities generally consist of deferred revenue and contract costs resulting from past transactions related to the provision of services under contracts with customers. Current contract asset and liability balances are included in "Prepaid expenses and other current assets" and "Other current liabilities," respectively, and noncurrent contract assets and liabilities are included in "Other assets" and "Other liabilities," respectively, on our Condensed Consolidated Balance Sheets. Off-market customer contract assets and liabilities have been recognized in connection with our emergence from Chapter 11 and the Business Combination with Maersk Drilling and are included in "Intangible assets" and "Noncurrent contract liabilities," respectively.

**NOBLE CORPORATION plc AND SUBSIDIARIES**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unless otherwise indicated, dollar and share amounts in tables are in thousands, except per share data)

The following table provides information about contract assets and contract liabilities from contracts with customers:

	June 30, 2024	December 31, 2023
Current customer contract assets	\$ 22,453	\$ 4,208
Noncurrent customer contract assets	12,625	208
<b>Total customer contract assets</b>	<b>35,078</b>	<b>4,416</b>
Current deferred revenue	(42,948)	(19,679)
Noncurrent deferred revenue	(28,898)	(23,393)
<b>Total deferred revenue</b>	<b>\$ (71,846)</b>	<b>\$ (43,072)</b>

Significant changes in the remaining performance obligation contract assets and the contract liabilities balances for the six months ended June 30, 2024 and 2023, are as follows:

	Contract Assets	Contract Liabilities
<b>Net balance at December 31, 2023</b>	<b>\$ 4,416</b>	<b>\$ (43,072)</b>
Amortization of deferred costs	(7,029)	—
Additions to deferred costs	37,691	—
<b>Amortization of deferred revenue</b>	<b>—</b>	<b>23,710</b>
Additions to deferred revenue	—	(52,484)
<b>Total</b>	<b>30,662</b>	<b>(28,774)</b>
<b>Net balance at June 30, 2024</b>	<b>\$ 35,078</b>	<b>\$ (71,846)</b>
<b>Net balance at December 31, 2022</b>	<b>\$ 11,537</b>	<b>\$ (59,797)</b>
Amortization of deferred costs	(14,206)	—
Additions to deferred costs	12,009	—
<b>Amortization of deferred revenue</b>	<b>—</b>	<b>38,481</b>
Additions to deferred revenue	—	(19,575)
<b>Total</b>	<b>(2,197)</b>	<b>18,906</b>
<b>Net balance at June 30, 2023</b>	<b>\$ 9,340</b>	<b>\$ (40,891)</b>

#### Contract Costs

Certain direct and incremental costs incurred for upfront preparation, initial rig mobilization and modifications are costs of fulfilling a contract and are recoverable. These recoverable costs are deferred and amortized ratably to contract drilling expense as services are rendered over the initial term of the related drilling contract. Certain of our contracts include capital rig enhancements used to satisfy our performance obligations.

#### Off-market Customer Contract Assets and Liabilities

Upon emergence from Chapter 11 the Company recognized fair value adjustments of \$ 113.4 million related to intangible assets for certain favorable customer contracts, which were fully amortized as of August 2023. In addition, in connection with the Business Combination with Maersk Drilling, the Company recognized additional fair value adjustments of \$23.0 million, These intangible assets will be amortized as a reduction of contract drilling services revenue from the Closing Date through the remainder of the contracts.

**NOBLE CORPORATION plc AND SUBSIDIARIES**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unless otherwise indicated, dollar and share amounts in tables are in thousands, except per share data)

In connection with the Business Combination with Maersk Drilling, the Company recognized a fair value adjustment of \$ 237.7 million related to certain unfavorable customer contracts acquired. These liabilities will be amortized as an increase to contract drilling services revenue from the Closing Date through the remainder of the contracts.

	<b>Unfavorable contracts</b>	<b>Favorable contracts</b>
<b>Balance at December 31, 2023</b>	\$ (50,863)	\$ 10,128
Amortization	48,622	(5,772)
<b>Balance at June 30, 2024</b>	<b>\$ (2,241)</b>	<b>\$ 4,356</b>
<b>Balance at December 31, 2022</b>	\$ (181,883)	\$ 34,372
Amortization	102,091	(17,354)
<b>Balance at June 30, 2023</b>	<b>\$ (79,792)</b>	<b>\$ 17,018</b>

Estimated future amortization over the expected remaining contract periods:

	<b>For the Year Ended</b>	
	<b>December 31,</b>	<b>Total</b>
Unfavorable contracts	\$ 2,241	\$ 2,241
Favorable contracts	(4,356)	(4,356)
<b>Total</b>	<b>\$ (2,115)</b>	<b>\$ (2,115)</b>

## **Note 8 — Income Taxes**

At June 30, 2024, the Company had deferred tax assets of \$ 248.8 million, net of valuation allowance. Additionally, the Company also had deferred tax liabilities of \$7.8 million, inclusive of a valuation allowance of \$ 18.5 million.

During the three months ended June 30, 2024, the Company recognized additional discrete deferred tax benefits of \$ 63.1 million related to releases and adjustments of valuation allowance for deferred tax benefits in Guyana and Luxembourg.

During the six months ended June 30, 2024, the Company recognized additional discrete deferred tax benefits of \$ 81.6 million related to releases and adjustments of valuation allowance for deferred tax benefits in Guyana, Nigeria, Switzerland, and Luxembourg.

During the three months ended June 30, 2023, the Company recognized additional discrete deferred tax benefits of \$ 50.7 million related to releases and adjustments of valuation allowance for deferred tax benefits in Guyana, Norway, Switzerland, and Luxembourg.

During the six months ended June 30, 2023, the Company recognized additional deferred tax benefits of \$ 84.6 million, \$3.9 million, and \$7.2 million in Guyana, Norway, and Switzerland, respectively.

In deriving the above net deferred tax benefits, the Company relied on sources of income attributable to the projected taxable income for the period covered by the Company's relevant existing drilling contracts based on the assumption that the relevant rigs will be owned by the relevant rig owners during the relevant existing drilling contract periods. Given the mobile nature of the Company's assets, we are not able to reasonably forecast the jurisdictions in which taxable income from future drilling contracts may arise. We also have limited objective positive evidence in historical periods. Accordingly, in determining the amount of additional deferred tax assets to recognize, we did not consider projected book income beyond the conclusion of existing drilling contracts. As new drilling contracts are executed or as current contracts are extended, we will reassess the amount of deferred tax assets that are realizable. Finally, once we have established sufficient objective positive evidence for historical periods, we may consider reliance on forecasted taxable income from future drilling contracts.

**NOBLE CORPORATION plc AND SUBSIDIARIES**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unless otherwise indicated, dollar and share amounts in tables are in thousands, except per share data)

At June 30, 2024, the reserves for uncertain tax positions totaled \$ 183.6 million (net of related tax benefits of \$0.1 million). At December 31, 2023, the reserves for uncertain tax positions totaled \$202.3 million (net of related tax benefits of \$0.1 million).

It is reasonably possible that our existing liabilities related to our reserve for uncertain tax positions may fluctuate in the next 12 months primarily due to the completion of open audits or the expiration of statutes of limitation.

During the three months ended June 30, 2024, our tax provision included tax benefits of \$ 63.1 million mainly related to releases of valuation allowance for deferred tax benefits in Luxembourg. Such tax benefits are offset by tax expenses related to recurring quarterly accruals of \$57.8 million mostly in Guyana, Luxembourg, Switzerland, and Nigeria.

During the six months ended June 30, 2024, our tax provision included tax benefits of \$ 81.6 million related to releases and adjustments of valuation allowance for deferred tax benefits in Nigeria, Switzerland, and Luxembourg. Such tax benefits are offset by tax expenses related to a net increase in uncertain tax positions of \$6.9 million and recurring quarterly accruals of \$59.3 million mostly in Guyana, Luxembourg, Switzerland, and Nigeria

The OECD, which represents a coalition of member countries, issued various white papers addressing Tax Base Erosion and Jurisdictional Profit Shifting. The recommendations in these white papers are generally aimed at combating what they believe is tax avoidance. Numerous jurisdictions in which we operate have been influenced by these white papers as well as other factors and are increasingly active in evaluating changes to their tax laws. In addition, the OECD has advanced reforms focused on global profit allocation and implementing a global minimum tax rate of at least 15% for large multinational corporations on a jurisdiction-by-jurisdiction basis, known as "Pillar Two." On October 8, 2021, the OECD announced an accord endorsing and providing an implementation plan for Pillar Two agreed upon by 136 nations. On December 15, 2022, the European Council formally adopted a European Union directive on the implementation of the plan by January 1, 2024. Numerous countries, including the UK, have enacted legislation implementing Pillar Two effective January 1, 2024. While we continue to review additional guidance and regulations as they become available, we do not currently believe the impact of this legislation will result in a material adverse effect on our consolidated financial statements.

## Note 9 — Employee Benefit Plans

Pension costs (gain) include the following components:

	Three Months Ended June 30,			
	2024		2023	
	Non-US	US	Non-US	US
Interest cost	\$ 518	\$ 2,187	\$ 575	\$ 2,248
Return on plan assets	(567)	(2,310)	(491)	(2,396)
Recognized net actuarial (gain) loss	25	—	63	(57)
<b>Net pension benefit cost (gain)</b>	<b>\$ (24)</b>	<b>\$ (123)</b>	<b>\$ 147</b>	<b>\$ (205)</b>

	Six Months Ended June 30,			
	2024		2023	
	Non-US	US	Non-US	US
Interest cost	\$ 1,034	\$ 4,375	\$ 1,124	\$ 4,496
Return on plan assets	(1,131)	(4,621)	(959)	(4,790)
Recognized net actuarial (gain) loss	49	—	122	(115)
<b>Net pension benefit cost (gain)</b>	<b>\$ (48)</b>	<b>\$ (246)</b>	<b>\$ 287</b>	<b>\$ (409)</b>

During the three and six months ended June 30, 2024 and 2023, we made no contributions to our pension plans. Effective December 31, 2016, employees and alternate payees accrue no future benefits under the US plans and, as such, Noble recognized no service costs with the plans for the three and six months ended June 30, 2024 and 2023.

## Note 10 — Commitments and Contingencies

### **Tax Matters**

Audit claims of approximately \$ 84.3 million attributable to income and other business taxes remain outstanding and are under continued objection by Noble. Such audit claims are attributable to Mexico related to tax years 2007 and 2009, Guyana related to tax years 2018 to 2021, Saudi Arabia related to tax years 2015 to 2019, Nigeria related to tax years 2011 to 2019, Ghana related to tax years 2011 to 2017, and Egypt related to tax years 2012 to 2016. We intend to vigorously defend our reported positions and currently believe the ultimate resolution of the audit claims will not have a material adverse effect on our condensed consolidated financial statements. This remains under continued monitoring and evaluation on a quarterly basis as facts change and as audits and/or litigation continue to progress.

We operate in numerous countries throughout the world and our tax returns filed in those jurisdictions are subject to review and examination by tax authorities within those jurisdictions. We recognize uncertain tax positions that we believe have a greater than 50% likelihood of being sustained upon challenge by a tax authority. We cannot predict or provide assurance as to the ultimate outcome of any existing or future assessments.

### **Hurricane Ida Personal Injury Claims**

In preparation for Hurricane Ida in the US Gulf of Mexico in August 2021, the *Noble Globetrotter II* successfully secured the well it was drilling and detached from the blowout preventer without incident. Due to the environmental conditions, a number of crew members were treated for injuries and released from medical care. We have had multiple parties, some of which are subject to a third-party contractual indemnity to our benefit, who have filed answers to the Limitation of Liability Action in the United States District Court Western District of Louisiana, seeking damages related to physical and emotional harm allegedly suffered as a result of the Hurricane Ida incident. We are in the discovery phase and we intend to defend ourselves vigorously against these claims, although there is inherent risk in litigation, and we cannot predict or provide assurance as to the ultimate outcome of this lawsuit. As claims progress, the Company's estimated loss could change from time to time, and any such change individually or in the aggregate could be material. We have insurance for such claims with a deductible of \$5.0 million, in addition to contractual indemnity owed to us for a portion of the third-party claims. Timing differences are likely to exist between any losses incurred and the recognition and receipt of insurance proceeds reflected in the Company's financial statements. Costs, as well as insurance recoveries, are presented in "Hurricane losses and (recoveries), net" on the Condensed Consolidated Statement of Operations.

### **Letters of Credit and Surety bonds**

As of June 30, 2024, we had \$ 23.2 million of letters of credit issued under the 2023 Revolving Credit Facility and an additional \$ 112.7 million in letters of credit and surety bonds issued under bilateral arrangements which guarantee our performance as it relates to our drilling contracts, contract bidding, tax appeals, customs duties, and other obligations in various jurisdictions. We expect to comply with the underlying performance requirements and we expect obligations under these letters of credit and surety bonds will not be called.

### **Other Contingencies**

We have entered into agreements with certain of our executive officers, as well as certain other employees. These agreements generally provide for certain compensation and other benefits if the employee is terminated without cause or if the employee resigns for good reason (within the meaning set forth in the agreements). In addition, certain of these agreements contain provisions that are triggered upon a change of control of Noble (within the meaning set forth in the agreements) and a termination of employment without cause or if the employee resigns for good reason in connection with a change of control. The agreements initially have three-year terms and automatically extend, unless either party provides notice not to extend, and provide for certain compensation and other benefits depending on the circumstances.

We are a defendant in certain claims and litigation arising out of operations in the ordinary course of business, including other personal injury claims, the resolution of which, in the opinion of management, will not be material to our financial position, results of operations, or cash flows. There is inherent risk in any litigation or dispute and no assurance can be given as to the outcome of these claims.

**NOBLE CORPORATION plc AND SUBSIDIARIES**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unless otherwise indicated, dollar and share amounts in tables are in thousands, except per share data)

## Note 11 — Supplemental Financial Information

### Condensed Consolidated Balance Sheets Information

Noble's restricted cash balance as of June 30, 2024 and December 31, 2023, was \$ 5.6 million and \$7.0 million, respectively. All restricted cash is recorded in "Prepaid expenses and other current assets."

### Condensed Consolidated Statements of Cash Flows Information

#### Operating cash activities

The net effect of changes in other assets and liabilities on cash flows from operating activities is as follows:

	Six Months Ended June 30,	
	2024	2023
Accounts receivable	\$ (88,190)	\$ (47,998)
Other current assets	(5,096)	(35,641)
Other assets	4,825	4,287
Accounts payable	(17,421)	18,754
Other current liabilities	(1,145)	(13,450)
Other liabilities	4,229	18,528
<b>Total net change in assets and liabilities</b>	<b>\$ (102,798)</b>	<b>\$ (55,520)</b>

#### Non-cash investing and financing activities

Non-cash investing and financing activities excluded from unaudited Condensed Statements of Cash Flows are as follows:

	Six Months Ended June 30,	
	2024	2023
Accrued capital expenditures at period end	\$ 73,643	\$ 71,291
Dividends declared but not paid at period end	71,452	—

## **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

The following discussion is intended to assist you in understanding our financial position at June 30, 2024, and our results of operations for the three and six months ended June 30, 2024 and 2023. The following discussion should be read in conjunction with the unaudited condensed consolidated financial statements and related notes contained in this Quarterly Report on Form 10-Q, the audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2023 (the "Form 10-K"), filed by Noble Corporation plc, a public limited company incorporated under the laws of England and Wales ("Noble") and our other filings with the US Securities and Exchange Commission ("SEC"). References in this Quarterly Report on Form 10-Q to "Noble," the "Company," "we," "us," "our" and words of similar meaning refer collectively to Noble and its consolidated subsidiaries.

## Forward-Looking Statements

This Quarterly Report on Form 10-Q includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Exchange Act, as amended. All statements other than statements of historical facts included in this report or in the documents incorporated by reference, are forward looking statements, including those regarding expected financial performance, revenues, expected utilization, and fleet status, stacking of rigs, effects of new rigs on the market revenues, operating expenses, cash flows, contract status, tenders, terms and duration, dayrates, termination and extensions, contract backlog, the availability, delivery, mobilization, stacking or reactivation, contract commencement, relocation or other movement of rigs and the timing thereof, contract claims, capital expenditures, insurance maintenance and renewals, access to financing, rig demand, peak oil, the offshore drilling market, oil prices, production levels among members of the Organization of Petroleum Exporting Countries ("OPEC") and other oil and gas producing nations (together with OPEC, "OPEC+"), and any expectations we may have with respect thereto, our future financial position, business strategy, impairments, repayment of debt, credit ratings, liquidity, borrowings under any credit facilities or other instruments, sources of funds, cost inflation, planned acquisitions or divestitures of assets, governmental regulations and permitting, taxes and tax rates, indebtedness covenant compliance, dividends and distributable reserves, share repurchases, progress, plans and goals related to environmental, social, and governance matters; the outcome of tax disputes; assessments and settlements; and expense management, the outcome of any dispute, litigation, audit or investigation, plans, foreign currency requirements, results of joint ventures, general economic, market, including inflation and recessions, trends and outlook; general political conditions, including political tensions, conflicts and war, timing for compliance with any new regulations the benefits or results of acquisitions or dispositions (including the Business Combination (as defined herein) and the Diamond Transaction (as defined herein), our plans, objectives, expectations, and intentions related to the Business Combination and Diamond Transaction). Forward-looking statements involve risks, uncertainties, and assumptions, and actual results may differ materially from any future results expressed or implied by such forward-looking statements. When used in this report or in the documents incorporated by reference, the words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "on track," "plan," "possible," "potential," "predict," "project," "should," "would," "shall," "target," "will," and similar expressions are intended to be among the terms that identify forward-looking statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we cannot assure you that such expectations will prove to be correct. These forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q and we undertake no obligation to revise or update any forward-looking statement for any reason, except as required by law. The expectations expressing in forward-looking statements are subject to a number of risks and uncertainties, which include, but are not limited to: a decline in the price of oil or gas, reduced demand for oil and gas products and increased regulation of drilling and production, price competition and cyclical in the offshore drilling industry, offshore rig supply, dayrates and demand for rigs, contract duration, renewal, terminations and repricing, national oil companies and governmental clients, contract backlog, risks related to the recently announced Diamond Transaction, including the risk that the transaction will not be completed on the timeline or terms currently contemplated, risks related to the ability to obtain any necessary consents or approvals, the risk that the benefits of the transaction may not be fully realized or may take longer to realize than expected, the risk that the costs of the acquisition will be significant and the risk that management attention will be diverted to transaction-related issues, customer and geographic concentration, operational hazards and risks, labor force unionization, labor interruptions and labor regulations, major natural disasters, catastrophic events, acts of war, terrorism or social unrest, pandemic, or other similar event, joint ventures as well as investments in associates, international operations and related mobilization and demobilization of rigs, operational interruptions, delays, upgrades, refurbishment and repair of rigs and any related delays and cost overruns or reduced payment of dayrates, impacts of inflation, renewal of insurance, protection of sensitive information, operational technology systems and critical data, the ability to attract and retain skilled personnel or the increased cost in doing so, supplier capacity constraints or shortages in parts or equipment, supplier production disruptions, supplier quality and sourcing issues or price increases, future mergers, acquisitions or dispositions of businesses or assets or other strategic transactions, hurricanes and windstorm damage, responding to energy rebalancing, non-performance of suppliers or third-party subcontractors, risks related to the Business Combination and the related integration and compliance with laws and regulations, increasing attention to environmental, social and governance matters, including climate change, compliance with anti-bribery or anti-corruption, international trade laws and regulations, litigation, our ability to maintain effective disclosure controls and procedures and internal control over financial reporting, impairments on property and equipment, including rigs and related capital spares, operating and financial restrictions and maintenance of covenants in our debt financing, tax disputes or tax challenges, that could cause actual plans or results to differ materially from those included in any forward-looking statements. Actual results could differ materially from those expressed as a result of various factors and could, among other impacts, impact our ability to repurchase shares and declare and pay dividends such that we suspend our share repurchase program and reduce, suspend, or totally eliminate dividend payments in the future. These factors include those "Risk Factors" referenced or described in Part II, Item 1A "Risk Factors" of this Form 10-Q, Part I, Item 1A. "Risk Factors" of our Form 10-K, and in our

other filings with the SEC. We cannot control such risk factors and other uncertainties, and in many cases, we cannot predict the risks and uncertainties that could cause our actual results to differ materially from those indicated by the forward-looking statements. You should consider these risks and uncertainties when you are evaluating us. Future quarterly dividends and other shareholder returns will be subject to, amongst other things, approval by the Board of Directors, and may be modified as market conditions dictate.

Our Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act are available free of charge at our website. The SEC maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at <http://www.sec.gov>.

Our website address is <http://www.noblecorp.com>. Investors should also note that we announce material financial information in SEC filings, press releases and public conference calls. Based on guidance from the SEC, we may use the investor relations section of our website to communicate with our investors. It is possible that the financial and other information (including fleet status reports) posted there could be deemed to be material information. Noble may also use social media channels including, but not limited to, Noble's accounts on LinkedIn, Facebook, Instagram and Twitter, to communicate with investors and the public about its business, services and other matters, and those communications could be deemed to be material information. Except to the extent explicitly stated herein, documents and information on our website or our social media channels are not incorporated by reference herein.

## Executive Overview

Noble is a leading offshore drilling contractor for the oil and gas industry. As of the filing date of this Quarterly Report on Form 10-Q, Noble performs, through its subsidiaries, contract drilling services with a fleet of 31 drilling rigs, consisting of 18 floaters and 13 jackups focused largely on ultra-deepwater and high-specification jackup drilling opportunities in both established and emerging regions worldwide. We typically employ each drilling unit under an individual contract, and many contracts are awarded based upon a competitive bidding process.

We report our contract drilling operations as a single reportable segment, Contract Drilling Services, which reflects how we manage our business. The mobile offshore drilling units comprising our offshore rig fleet operate in a global market for contract drilling services and are often redeployed to different regions due to changing demands of our customers, which consist primarily of large, integrated, independent and government-owned or controlled oil and gas companies throughout the world.

### Recent Events

**Diamond Transaction.** On June 9, 2024, Noble entered into an agreement and plan of merger (the "Diamond Merger Agreement") with Diamond Offshore Drilling, Inc. ("Diamond"), Dolphin Merger Sub 1, Inc., and Dolphin Merger Sub 2, Inc., under which Noble will acquire Diamond in a stock plus cash transaction (the "Diamond Transaction"). Pursuant to the terms and conditions set forth in the Diamond Merger Agreement, Diamond shareholders will receive 0.2316 shares of Noble, plus cash consideration of \$5.65 per share for each share of Diamond stock, representing a premium of 11.4% to Diamond's closing share price on June 7, 2024. Upon closing of the Diamond Transaction, Diamond shareholders are expected to own approximately 14.5% of Noble's outstanding shares. Noble intends to fund the cash portion of the Diamond Transaction through new debt financing, which Noble has secured through a \$600.0 million committed bridge financing facility.

The Diamond Transaction has been unanimously approved by the board of directors of each company. The Diamond Merger Agreement contains certain termination rights, including, but not limited to, each party's right to terminate the Diamond Merger Agreement in the event that the Diamond Transaction has not been consummated on or before June 9, 2025 (the "End Date"); except that the End Date will automatically be successively extended to December 9, 2025, and June 9, 2026, if all required applicable regulatory approvals have not been obtained by what would otherwise be the End Date but all other conditions to closing have been satisfied. At 11:59 ET on July 24, 2024, the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 expired in connection with the pending merger. Completion of the Diamond Transaction is subject to the satisfaction of the remaining customary closing conditions, including approval by Diamond's stockholders and the receipt of informal clearance by the Australian Competition & Consumer Commission. A special meeting of Diamond stockholders to vote on the transaction is currently scheduled for 8:30 a.m. CDT on August 27, 2024.

Also, on June 10, 2024, Noble's Board of Directors approved an interim quarterly cash dividend on our Ordinary Shares of \$0.50 per share for the third quarter of 2024. This dividend is in addition to the \$0.40 per share dividend previously announced which was paid on June 27, 2024, to shareholders of record at close of business on June 6, 2024. The \$0.50 dividend is expected to be paid on September 26, 2024, to shareholders of record at close of business on September 12, 2024. The Company intends to continue to pay dividends on a quarterly basis, and the third quarter dividend represents \$2.00 per share on an annualized basis.

**Voluntary Delisting.** On July 18, 2024, Noble announced its intention to voluntarily delist from NASDAQ Copenhagen ("NASDAQ"). Noble will remain traded on the New York Stock Exchange ("NYSE"), as Noble's primary listing exchange. Noble anticipates such delisting will be effective in late 2024 or early 2025. Noble has not filed, and has not yet determined when it will file, a formal delisting request with NASDAQ.

## Market Outlook

In recent years, oil prices have generally remained at levels that are supportive of offshore exploration and development activity and global rig demand is increasing. This increasing demand has been caused by the combination of growing confidence in commodity prices, heightened focus on energy security, recent multi-year underinvestment in the development and exploration of hydrocarbons, and relative attractiveness of offshore plays with respect to both cost and carbon emissions. This increase had a positive impact on dayrates for certain of our rig classes.

The global rig supply has come down from historic highs as Noble and other offshore drilling contractors have retired less capable and idle assets. Concurrently, the incoming supply of newbuild offshore drilling rigs has diminished materially, with

several newbuild rigs stranded in shipyards. However, we expect many of these stranded newbuild rigs may continue to make their way into the global market over the next few years.

Although the market outlook in our business varies by geographical region and water depth, we remain encouraged by the outlook in the ultra-deepwater floater market, with overall demand having increased from 2020 lows. However, within this ultra-deepwater market, our customers continue to focus on our highest specification floaters, which represents the majority of our floater fleet. Assuming current market fundamentals, continued customer prioritization towards these highest specification floaters is likely to result in lower utilization for our lower specification drillships and our semi-submersibles. We have also observed an overall demand increase in the global jackup market, with the Middle East being the largest component of this increase. While we remain encouraged about the increasing overall rig demand, to the extent global macroeconomic concerns become more prevalent and produce downward pressure on oil and gas prices, we could experience downward pressure on overall rig demand for both floaters and jackups.

As of the date of this report, the majority of our jackup fleet is positioned in the North Sea. While we are starting to see some increased tender activity in the UK North Sea, overall activity levels in this region remain subdued compared to historical levels. The Norway ultra-harsh environment jackup market is similar, where current activity also remains below historical levels, despite the market being attractive to operators given it is characterized by low-cost and low-emission barrels.

Returning to the broader offshore drilling market, while the length of contract terms has started to moderately increase, the overall market remains characterized by generally shorter-term contracts. This leads to an increased number of rig contract start-ups, both with different customers and among different regions. These rig contract start-ups and other shipyard projects may result in incremental resources and costs and, in certain cases, may delay delivery of the applicable rig which may trigger applicable late delivery clauses. Additionally, shorter-term contracts have resulted in, and are likely to continue to result in, lower overall utilization for our fleet driven by more idle time between contracts.

The energy transition from hydrocarbons to renewables poses a challenge to the oil and gas sector and our market. Energy rebalancing trends have accelerated in recent years as evidenced by promulgated or proposed government policies and commitments by many of our customers to further invest in sustainable energy sources. Our industry could be further challenged as our customers rebalance their capital investments more towards alternative energy sources. However, at the same time, there continues to be a global dependence on the combustion of hydrocarbons to provide reliable and affordable energy. Low-cost and low-emission barrels are expected to be the most attractive conventional source to meet energy needs, both currently and in the future. Global energy demand is predicted to increase over the coming decades, and we expect that offshore oil and gas will continue to play an important and lasting role in meeting this demand.

We expect inflationary pressures to persist, which has led or may lead to increased costs of services. Additionally, we expect supply chain disruptions to continue, and potentially accelerate, as geopolitical crises, such as the Russia-Ukraine conflict, Middle East conflicts, the Guyana-Venezuela dispute, and their respective regional and global ramifications, have the potential to negatively impact our ability to conduct our day-to-day operations.

## Contract Drilling Services Backlog

We maintain a backlog of commitments for contract drilling services. Our contract drilling services backlog reflects estimated future revenues attributable to signed drilling contracts. While backlog did not include any letters of intent as of June 30, 2024, in the past we have included in backlog certain letters of intent that we expect to result in binding drilling contracts. As of June 30, 2024, contract drilling services backlog totaled approximately \$4.2 billion, which includes a commitment of approximately 69% of available days for the remainder of 2024.

We calculate backlog for any given unit and period by multiplying the full contractual operating dayrate for such unit by the number of days remaining in the period, and include certain assumptions based on the terms of certain contractual arrangements, discussed in the notes to the table below. The reported contract drilling services backlog does not include amounts representing revenues for mobilization, demobilization and contract preparation, which are not expected to be significant to our contract drilling services revenues, amounts constituting reimbursables from customers or amounts attributable to uncommitted option periods under drilling contracts or letters of intent.

The table below presents the amount of our contract drilling services backlog as of June 30, 2024, and the percent of available operating days committed for the periods indicated:

	Year Ending December 31,				
	Total	2024 <sup>(1)</sup>	2025	2026	2027
	(In thousands)				
<b>Contract Drilling Services Backlog</b>					
Floater <sup>(2)</sup>	\$3,242,461	\$918,341	\$1,266,254	\$802,338	\$255,528
Jackups <sup>(3)</sup>	988,415	256,228	334,404	214,723	183,060
<b>Total</b>	<b>\$4,230,876</b>	<b>\$1,174,569</b>	<b>\$1,600,658</b>	<b>\$1,017,061</b>	<b>\$438,588</b>
<b>Percent of Available Days Committed <sup>(4)</sup></b>					
Floater	66 %	44 %	29 %	9 %	%
Jackups	74 %	41 %	18 %	14 %	%
<b>Total</b>	<b>69 %</b>	<b>43 %</b>	<b>24 %</b>	<b>11 %</b>	<b>%</b>

<sup>(1)</sup> Represents a six-month period beginning July 1, 2024.

<sup>(2)</sup> Noble entered into a multi-year Commercial Enabling Agreement (the "CEA") with ExxonMobil in February 2020. Under the CEA, dayrates for the rigs are repriced on March 1 and September 1 each year to the projected market rate at the time the new rate goes into effect, subject to a scale-based discount and a performance bonus that appropriately aligns the interests of Noble and ExxonMobil. Under the CEA, the table above includes awarded and remaining current contract term to June 5, 2027 related to each of the four following rigs: the *Noble Tom Madden*, *Noble Bob Douglas*, *Noble Don Taylor*, and *Noble Sam Croft*. Under the CEA, ExxonMobil may reassign remaining contract term among rigs, subject to maintaining certain minimum contract term on the rig from which term is removed.

<sup>(3)</sup> In 2022, Noble renewed its five-year Framework Agreement with Aker BP (the "Framework Agreement") for the provision of ultra-harsh environment jackup rigs, the *Noble Integrator* and *Noble Invincible*, for activities offshore Norway. Under the Framework Agreement, different rate structures apply reflecting different operating modes, agreed incentive schemes, and adjustments for operating expenses. Rate structures are adjusted annually to reflect market conditions.

<sup>(4)</sup> Percent of available days committed is calculated by dividing the total number of days our rigs are operating under contract for such period by the product of the number of our rigs, including cold-stacked rigs, and the number of calendar days in such period.

The amount of actual revenues earned and the actual periods during which revenues are earned may be materially different than the backlog amounts and backlog periods presented in the table above due to various factors, including, but not limited to, shipyard and maintenance projects, unplanned downtime, the operation of market benchmarks for dayrate resets, achievement of bonuses, weather conditions, reduced standby or mobilization rates, and other factors that result in applicable dayrates lower than the full contractual operating dayrate. In addition, amounts included in the backlog may change because drilling contracts may be varied or modified according to their terms or by mutual consent, or customers may exercise early termination rights contained in some of our drilling contracts or decline to enter into a drilling contract after executing a letter of intent. As a result, our backlog as of any particular date may not be indicative of our actual operating results for the periods for which the backlog is calculated. See Part I, Item 1A, "Risk Factors – Risks Related to Our Business and Operations – Our current backlog of contract drilling revenue may not be ultimately realized" in our Form 10-K.

As of June 30, 2024, ExxonMobil, Aker BP, and Petrobras represented approximately 41.4%, 16.0%, and 14.5% of our backlog, respectively.

## Results of Operations

### Results for the Three Months Ended June 30, 2024 and 2023

Net income for the three months ended June 30, 2024 (the "current quarter"), was \$195.0 million, or \$1.34 per diluted share, on operating revenues of \$692.8 million compared to net income for the three months ended June 30, 2023, of \$65.8 million, or \$0.45 per diluted share, on operating revenues of \$638.5 million.

### Key Operating Metrics

Operating results for our contract drilling services segment are dependent on three primary metrics: operating days, dayrates, and operating costs. We also track rig utilization, which is a function of operating days and the number of rigs in our fleet. For more information on operating costs, see "Contract Drilling Services" below.

The following table presents the average rig utilization, operating days, and average dayrates for our rig fleet for the periods indicated:

	Average Rig Utilization <sup>(1)</sup>		Operating Days <sup>(2)</sup>		Average Dayrates <sup>(2)</sup>	
	Three Months Ended		Three Months Ended		Three Months Ended	
	June 30,	2024	June 30,	2024	June 30,	2024
Floater	70 %	76 %	1,138	1,305	435,677	363,167
Jackups	77 %	62 %	914	786	155,585	128,885
<b>Total</b>	<b>73 %</b>	<b>70 %</b>	<b>2,052</b>	<b>2,091</b>	<b>\$ 310,962</b>	<b>\$ 275,066</b>

<sup>(1)</sup> We define utilization for a specific period as the total number of days our rigs are operating under contract divided by the product of the total number of our rigs, including cold stacked rigs, and the number of calendar days in such period. Information reflects our policy of reporting on the basis of the number of available rigs in our fleet.

<sup>(2)</sup> An operating day is defined as a calendar day during which a rig operated under a drilling contract. We define average dayrates as revenue from contract drilling services earned per operating day. Average dayrates exclude the effect of non-cash amortization related to favorable and unfavorable off-market customer contract assets and liabilities.

### Contract Drilling Services

The following table presents the operating results for our contract drilling services segment for the periods indicated (dollars in thousands):

	Three Months Ended June 30,		Change	
	2024	2023	\$	%
<b>Operating revenues:</b>				
Contract drilling services	\$ 660,710	\$ 606,180	\$ 54,530	9 %
Reimbursables and other <sup>(1)</sup>	32,134	32,355	(221)	(1)%
	<b>692,844</b>	<b>638,535</b>	<b>54,309</b>	<b>9 %</b>
<b>Operating costs and expenses:</b>				
Contract drilling services	\$ 335,854	\$ 362,533	\$ (26,679)	(7)%
Reimbursables <sup>(1)</sup>	23,331	24,796	(1,465)	(6)%
Depreciation and amortization	90,770	71,324	19,446	27 %
General and administrative	39,669	32,352	7,317	23 %
Merger and integration costs	10,618	22,452	(11,834)	(53)%
(Gain) loss on sale of operating assets, net	(17,357)	—	(17,357)	— %
Hurricane losses and (recoveries), net	—	15,934	(15,934)	(100)%
	<b>482,885</b>	<b>529,391</b>	<b>(46,506)</b>	<b>(9)%</b>
<b>Operating income (loss)</b>	<b>\$ 209,959</b>	<b>\$ 109,144</b>	<b>\$ 100,815</b>	<b>92 %</b>

<sup>(1)</sup> We record reimbursements from customers for out-of-pocket expenses as operating revenues and the related direct costs as operating expenses. Changes in the amount of these reimbursables generally do not have a material effect on our financial position, results of operations, or cash flows.

The following table provides information about contract drilling revenue and costs by rig types (dollars in millions except average dayrates):

	Three Months Ended June 30,			
	2024		2023	
	Floater	Jackup	Floater	Jackup
Contract drilling services revenues	\$ 517.8	\$ 143.0	\$ 494.0	\$ 112.2
Contract drilling services costs	\$ 246.0	\$ 86.8	\$ 278.4	\$ 84.1
Average rig utilization	70 %	77 %	76 %	62 %
Operating days	1,138	914	1,305	786
Average dayrates	\$ 435,677	\$ 155,585	\$ 363,167	\$ 128,885
Total rigs	— Beginning	19	13	19
	— Disposed	(1)	—	—
	— Ending	18	13	19
				13

### Contract Drilling Services Revenues

**Floater.** During the second quarter of 2024, floaters generated revenue of \$517.8 million, as compared to \$494.0 million in the second quarter of 2023. The increase in revenue was mainly attributable to \$76.2 million from an increase in average dayrates in the current period and was partly offset by \$54.1 million from rigs with net changes in operating days in the current period. Additionally, floater revenue from net non-cash amortization related to off-market customer contract assets and liabilities increased \$1.6 million in the current period.

**Jackups.** During the second quarter of 2024, jackups generated revenue of \$143.0 million, as compared to \$112.2 million in the second quarter of 2023. The increase in revenue was mainly attributable to \$27.8 million from an increase in average dayrates in the current period and \$11.5 million from rigs with net changes in operating days in the current period.

Additionally, jackup revenue from net non-cash amortization related to off-market customer contract assets and liabilities decreased \$10.1 million in the current period.

#### **Operating Costs and Expenses**

**Floater.** During the second quarter of 2024, total contract drilling services costs related to floaters was \$246.0 million, as compared to \$278.4 million in the second quarter 2023. The primary drivers of this decrease were \$31.4 million in mobilization, \$4.7 million in insurance, and \$13.4 million in non-labor crew costs and operations support costs across the fleet. These decreases were partially offset by increases of \$5.8 million in labor, \$4.5 million in transportation and storage, and \$6.8 million in repairs and maintenance.

**Jackups.** During the second quarter of 2024, total contract drilling services cost related to jackups was \$86.8 million, as compared to \$84.1 million in the second quarter 2023. The primary drivers of an aggregate increase of \$16.0 million related to labor costs, repairs and maintenance, operations support, and other costs across the fleet. These increases were partially offset by decreases in mobilization, insurance, fuel, and other costs across the fleet. Further, there was a decrease of \$13.4 million after the completion of disposal activities regarding certain rigs.

**Depreciation and amortization.** Depreciation and amortization totaled \$90.8 million and \$71.3 million during the second quarter of 2024 and 2023, respectively. Depreciation and amortization increased by \$19.4 million in the current quarter primarily due to the timing of capital additions that were placed in service as compared to retirements among the periods.

**General and administrative.** General and administrative expenses totaled \$39.7 million and \$32.4 million during the second quarter of 2024 and 2023, respectively. The increase was primarily related to individually insignificant items within certain corporate charges such as professional fees, corporate leases, and employee related costs.

**Merger and integration costs.** Noble incurred \$10.6 million and \$22.5 million of merger and integration costs during the second quarter of 2024 and 2023, respectively. Costs incurred prior to the second quarter of 2024 related to the Business Combination with Maersk Drilling in October 2022. In the second quarter 2024, \$6.2 million and \$4.4 million of costs related to the Diamond Transaction and the Business Combination with Maersk Drilling, respectively. The costs directly attributable to the Diamond Transaction related to professional services fees for pre-merger preparation and the costs directly attributable to the Business Combination with Maersk Drilling primarily related to severance plans, professional fees, and certain other integration-related activities.

**Hurricane losses and (recoveries), net.** During the second quarter of 2024, costs incurred in connection with the Hurricane Ida incident were offset by accrued recoveries. For additional information about the Hurricane Ida incident, see "Note 10 — Commitments and Contingencies" to our unaudited condensed consolidated financial statements.

#### **Other Income and Expenses**

**Interest expense, net of amounts capitalized.** Interest expense totaled \$12.0 million and \$14.7 million during the second quarter of 2024 and 2023, respectively. Interest expense primarily relates to our 8.000% Senior Notes issued in April 2023, which refinanced prior debt assumed in the Business Combination with Maersk Drilling in October 2022. For additional information, see "Note 6 — Debt" to our unaudited condensed consolidated financial statements.

**Interest income and other, net.** Noble recognized other losses of \$8.2 million and of \$2.9 million during the second quarter of 2024 and 2023, respectively.

**Income tax benefit (provision).** Noble recorded an income tax benefit of \$5.2 million and \$0.7 million during the second quarter of 2024 and 2023, respectively.

During the second quarter of 2024, our tax provision included tax benefits of \$63.1 million mainly related to releases of valuation allowance for deferred tax benefits in Luxembourg. Such tax benefits are offset by tax expenses related to recurring quarterly accruals of \$57.8 million mostly in Guyana, Luxembourg, Switzerland, and Nigeria.

During the second quarter of 2023, our tax provision included tax benefits of \$50.7 million related to releases and adjustments of valuation allowance for deferred tax benefits in Guyana, Norway, Switzerland and Luxembourg and a tax benefit of \$6.8 million related to a Ghana uncertain tax position release. Such tax benefits are offset by tax expenses related to a Mexico uncertain tax position of \$9.8 million, contract fair value amortization of \$4.7 million, and various recurring quarterly accruals of \$42.2 million primarily in Guyana, Australia, and Luxembourg.

### Results for the Six Months Ended June 30, 2024 and 2023

Net income for the six months ended June 30, 2024, was \$290.5 million, or \$1.99 per diluted share, on operating revenues of \$1.3 billion compared to compared to net income for the six months ended June 30, 2023, of \$173.9 million, or \$1.19 per diluted share, on operating revenues of \$1.2 billion.

### Key Operating Metrics

Operating results for our contract drilling services segment are dependent on three primary metrics: operating days, dayrates, and operating costs. We also track rig utilization, which is a function of operating days and the number of rigs in our fleet. For more information on operating costs, see "Contract Drilling Services" below.

The following table presents the average rig utilization, operating days and average dayrates for our rig fleet for the periods indicated:

	Average Rig Utilization <sup>(1)</sup>		Operating Days <sup>(2)</sup>		Average Dayrates <sup>(2)</sup>	
	Six Months Ended		Six Months Ended		Six Months Ended	
	June 30,	June 30,	June 30,	June 30,	June 30,	June 30,
	2024	2023	2024	2023	2024	2023
Floater	67 %	76 %	2,240	2,618	434,660	347,383
Jackups	72 %	66 %	1,709	1,663	150,286	112,571
<b>Total</b>	<b>69 %</b>	<b>72 %</b>	<b>3,949</b>	<b>4,281</b>	<b>\$ 311,567</b>	<b>\$ 256,170</b>

<sup>(1)</sup> We define utilization for a specific period as the total number of days our rigs are operating under contract divided by the product of the total number of our rigs, including cold stacked rigs, and the number of calendar days in such period. Information reflects our policy of reporting on the basis of the number of available rigs in our fleet.

<sup>(2)</sup> An operating day is defined as a calendar day during which a rig operated under a drilling contract. We define average dayrates as revenue from contract drilling services earned per operating day. Average dayrates exclude the effect of non-cash amortization related to favorable and unfavorable off-market customer contract assets and liabilities.

### Contract Drilling Services

The following table presents the operating results for our contract drilling services segment for the periods indicated (dollars in thousands):

	Six Months Ended June 30,			Change	
	2024	2023	\$	%	
<b>Operating revenues:</b>					
Contract drilling services	\$ 1,273,135	\$ 1,181,470	\$ 91,665	8 %	
Reimbursables and other <sup>(1)</sup>	\$ 56,793	\$ 67,119	(\$10,326)	(15)%	
	<u>\$ 1,329,928</u>	<u>\$ 1,248,589</u>	<u>\$ 81,339</u>	<u>7 %</u>	
<b>Operating costs and expenses:</b>					
Contract drilling services	\$ 725,721	\$ 724,322	\$ 1,399	— %	
Reimbursables <sup>(1)</sup>	41,011	50,802	(9,791)	(19)%	
Depreciation and amortization	177,468	141,266	36,202	26 %	
General and administrative	65,630	62,389	3,241	5 %	
Merger and integration costs	19,949	34,083	(14,134)	(41)%	
(Gain) loss on sale of operating assets, net	(17,357)	—	(17,357)	— %	
Hurricane losses and (recoveries), net	—	19,478	(19,478)	(100)%	
	<u>1,012,422</u>	<u>1,032,340</u>	<u>(19,918)</u>	<u>(2)%</u>	
<b>Operating income (loss)</b>	<b>\$ 317,506</b>	<b>\$ 216,249</b>	<b>\$ 101,257</b>	<b>47 %</b>	

<sup>(1)</sup> We record reimbursements from customers for out-of-pocket expenses as operating revenues and the related direct costs as operating expenses. Changes in the amount of these reimbursables generally do not have a material effect on our financial position, results of operations, or cash flows.

The following table provides information about contract drilling revenue and costs by rig types (dollars in millions except average dayrates):

	Six Months Ended June 30,			
	2024		2023	
	Floater	Jackup	Floater	Jackup
Contract drilling services revenues	\$ 1,012.2	\$ 260.9	\$ 970.2	\$ 211.3
Contract drilling services costs	\$ 535.6	\$ 187.1	\$ 549.4	\$ 174.9
Average rig utilization	67 %	72 %	76 %	66 %
Operating days	2,240	1,709	2,618	1,663
Average dayrates	\$ 434,660	\$ 150,286	\$ 347,383	\$ 112,571
Total rigs	— Beginning	19	13	19
	— Disposed	(1)	—	—
	— Ending	18	13	13

### Contract Drilling Services Revenues

**Floater.** During the six months ended June 30, 2024, floaters generated revenue of \$1.0 billion, as compared to \$970.2 million in the six months ended June 30, 2023. The increase in revenue was mainly attributable to \$183.9 million from an increase in average dayrates in the current period and was partly offset by \$119.9 million from rigs with net changes in operating days in the current period. Additionally, floater revenue from net non-cash amortization related to off-market customer contract assets and liabilities decreased \$22.0 million in the current period.

**Jackups.** During the six months ended June 30, 2024, jackups generated revenue of \$260.9 million, as compared to \$211.3 million in the six months ended June 30, 2023. The increase in revenue was mainly attributable to \$55.6 million from an increase in average dayrates in the current period and \$13.3 million from rigs with net changes in operating days in the

current period. Additionally, jackup revenue from net non-cash amortization related to off-market customer contract assets and liabilities decreased \$19.9 million in the current period.

#### **Operating Costs and Expenses**

**Floater.** During the six months ended June 30, 2024, total contract drilling services costs related to floaters was \$535.6 million, as compared to \$549.4 million in the six months ended June 30, 2023. The primary drivers of this decrease were \$30.2 million in mobilization and \$12.8 million in non-labor crew costs and operations support costs across the fleet. These decreases were offset by increases of \$12.7 million in labor, \$6.5 million in transportation and storage, \$5.7 million in fuel, and \$4.3 million in repairs and maintenance.

**Jackups.** During the six months ended June 30, 2024, total contract drilling services cost related to jackups was \$187.1 million, as compared to \$174.9 million in the six months ended June 30, 2023. The primary drivers of an aggregate increase of \$35.9 million related to labor costs, repairs and maintenance, operations support, and other costs across the fleet. These increases were partially offset by decreases in mobilization, fuel, and other costs across the fleet. Further, there was a decrease of \$23.8 million after the completion of disposal activities regarding certain rigs.

**Depreciation and amortization.** Depreciation and amortization totaled \$177.5 million and \$141.3 million during the six months ended June 30, 2024 and 2023, respectively. Depreciation and amortization increased by \$36.2 million in the current period primarily due to the timing of capital additions that were placed in service as compared to retirements among the periods.

**General and administrative.** General and administrative expenses totaled \$65.6 million and \$62.4 million during the six months ended June 30, 2024 and 2023, respectively. The increase was primarily related to individually insignificant items within certain corporate charges such as professional fees, corporate leases, and employee related costs.

**Merger and integration costs.** Noble incurred \$19.9 million and \$34.1 million of merger and integration costs during the six months ended June 30, 2024 and 2023, respectively, primarily as a result of the Diamond Transaction and the Business Combination with Maersk Drilling in October 2022. During the current period, \$6.2 million of pre-merger preparation costs related to professional services fees directly attributable to the Diamond Transaction while the remaining costs were directly attributable to the Business Combination with Maersk Drilling and primarily related to severance plans, professional fees, and certain other integration-related activities.

**Hurricane losses and (recoveries).** During the six months ended June 30, 2024, costs incurred in connection with the Hurricane Ida incident were offset by accrued recoveries. For additional information about the Hurricane Ida incident, see "Note 10 — Commitments and Contingencies" to our unaudited condensed financial statements.

#### **Other Income and Expenses**

**Interest expense, net of amounts capitalized.** Interest expense totaled \$29.5 million and \$31.5 million during the six months ended June 30, 2024 and 2023, respectively. Interest expense primarily relates to our 8.000% Senior Notes issued in April 2023, which refinanced prior debt assumed in the Business Combination with Maersk Drilling in October 2022. In the six months ended June 30, 2024, \$2.8 million of interest expense related to non-income taxes partially offset decreases in interest on debt. For additional information, see "Note 6 — Debt" to our unaudited condensed consolidated financial statements.

**Interest income and other, net.** Noble recognized other losses of \$12.9 million and \$0.9 million during the six months ended June 30, 2024 and 2023, respectively.

**Income tax benefit (provision).** Noble recorded an income tax benefit of \$15.4 million and \$16.5 million during the six months ended June 30, 2024 and 2023, respectively.

During the six months ended June 30, 2024, our tax provision included tax benefits of \$81.6 million related to releases and adjustments of valuation allowance for deferred tax benefits in Nigeria, Switzerland, and Luxembourg. Such tax benefits are offset by tax expenses related to a net increase in uncertain tax positions of \$6.9 million and recurring quarterly accruals of \$59.3 million mostly in Guyana, Luxembourg, Switzerland, and Nigeria.

During the six months ended June 30, 2023, our tax provision included tax benefits of \$95.8 million related to releases of valuation allowance for deferred tax benefits in Guyana, Norway, and Switzerland and a tax benefit of \$6.8 million related to a Ghana uncertain tax position release. Such tax benefits are offset by tax expenses related to a Mexico uncertain tax position of \$9.8 million, contract fair value amortization of \$8.9 million, and various recurring quarterly accruals of \$67.4 million primarily in Guyana, Australia, and Luxembourg.

## Liquidity and Capital Resources

### Amended and Restated Senior Secured Revolving Credit Agreement

On April 18, 2023, Noble entered into the 2023 Revolving Credit Agreement. The Revolving Credit Facility under the 2023 Revolving Credit Agreement provides for commitments of \$550 million with maturity in 2028. The guarantors under the 2023 Revolving Credit Facility are the same subsidiaries of Noble Finance II that are or will be guarantors of the 2030 Notes.

As of June 30, 2024, we had \$35.0 million of borrowings outstanding and \$23.2 million of letters of credit issued under the 2023 Revolving Credit Facility. For additional information about our 2023 Revolving Credit Facility as of June 30, 2024, see "Note 6 — Debt" to our unaudited condensed consolidated financial statements.

### Sources and Uses of Cash

Our principal sources of capital in the current period were cash generated from operating activities and funding from the Revolving Credit Facility. Cash on hand during the current period was primarily used for the following:

- normal recurring operating expenses;
- planned and discretionary capital expenditures;
- fees and expenses related to merger and integration costs;
- dividend payments; and
- certain contractual cash obligations and commitments.

Our anticipated cash flow needs, both in the short term and long term, may also include repurchases, redemptions, or repayments of debt and interest and share repurchases.

We currently expect to fund our cash flow needs with cash generated by our operations, cash on hand, proceeds from sales of assets, or borrowings under the 2023 Revolving Credit Facility and we believe this will provide us with sufficient liquidity to fund our cash flow needs over the next 12 months. Subject to market conditions and other factors, we may also issue equity or long-term debt securities to fund our cash flow needs and for other purposes. Regarding the Diamond Transaction, Noble intends to fund the cash portion of the transaction through new debt financing, which Noble has secured through a \$600.0 million committed bridge financing facility. In 2023 and during the first half of 2024, we incurred additional expenses and capital costs related to the damage and repair of two jackup rigs. These incurred costs exceeded our deductible amount. As such, we have received partial insurance recoveries and we continue to seek insurance recoveries for the remainder of the incurred and anticipated costs.

Net cash provided by operating activities was \$235.5 million and \$148.1 million for the six months ended June 30, 2024 and 2023, respectively. The increase in net cash provided by operating activities for the six months ended June 30, 2024 was primarily attributable to improvements in cash flows from operating assets and liabilities, with key drivers being an increase in payments from customers offset by a reduction in payments to vendors. We had working capital of \$349.9 million at June 30, 2024, and \$420.1 million at December 31, 2023.

Net cash used in investing activities was \$299.8 million and \$169.5 million for the six months ended June 30, 2024 and 2023, respectively, and primarily consisted of capital expenditures on routine projects associated with overhauls and upgrades on various rigs.

Net cash used in financing activities was \$134.9 million and \$202.3 million for the six months ended June 30, 2024 and 2023, respectively. The six months ended June 30, 2024, included dividend payments to our shareholders of \$116.6 million as well as \$53.6 million in taxes withheld on vested employee share-based compensation awards, partly offset by borrowing of \$35.0 million under the 2023 Revolving Credit Facility. The six months ended June 30, 2023, included the repayment of the DSF Credit Facility in full, redemption of Second Lien Notes, repayment of the New DNB Credit Facility, totaling \$673.4 million, and the \$600.0 million issuance of 2030 Notes. We also repurchased 1.8 million of our Ordinary Shares for total of \$70.0 million.

At June 30, 2024, we had a total contract drilling services backlog of approximately \$4.2 billion, which includes a commitment of 69% of available days for the remainder of 2024. For additional information regarding our backlog, see "Contract Drilling Services Backlog."

### **Capital Additions**

Capital additions totaled \$266.6 million for the six months ended June 30, 2024, and consisted of the following:

- \$132.7 million for sustaining capital;
- \$118.8 million in major projects, including subsea and other related projects; and
- \$15.1 million for rebillable capital and contract modifications.

Our total capital additions estimate for the year ending December 31, 2024, net of reimbursements, is expected to range between \$400 million and \$440 million, of which approximately \$270 million to \$300 million is currently anticipated to be spent for sustaining capital. We expect to fund these capital additions with cash generated by our operations and cash on hand.

From time to time we consider possible projects and may have certain events, such as insured losses, that would require expenditures that are not included in our capital budget, and such unbudgeted expenditures could be significant. In addition, while liquidity and preservation of capital remains our top priority, we will continue to evaluate acquisitions of drilling units from time to time.

### **Dividends**

Our most recent quarterly dividend, totaling approximately \$57.2 million (or \$0.40 per share), was declared on May 6, 2024, and paid on June 27, 2024, to shareholders of record at close of business on June 6, 2024.

On June 10, 2024, Noble's Board of Directors declared an interim quarterly cash dividend on our Ordinary Shares of \$0.50 per share for the third quarter of 2024. The \$0.50 dividend is expected to be paid on September 26, 2024, to shareholders of record at close of business on September 12, 2024.

The declaration and payment of dividends require authorization of the Board of Directors, provided that such dividends on issued share capital may be paid only out of the Company's "distributable reserves" as determined by reference to relevant statutory accounts in accordance with English law. The Company is not permitted to pay dividends out of share capital, which includes share premiums. The payment of future dividends will depend on our results of operations, financial condition, cash requirements, future business prospects, the availability of sufficient distributable reserves, contractual and indenture restrictions, and other factors deemed relevant by the Board of Directors.

## **Critical Accounting Estimates**

We prepare our unaudited condensed consolidated financial statements in accordance with accounting principles generally accepted in the United States, which require us to make estimates that affect the reported amounts of assets, liabilities, revenues, expenses, and related disclosures of contingent assets and liabilities. We disclose our significant accounting policies in "Note 1— Organization and Significant Accounting Policies" to our audited consolidated financial statements included in Part II, Item 8 of our Form 10-K.

For information about our critical accounting policies and estimates, see Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Estimates" in our Form 10-K. As of June 30, 2024, there have been no material changes to the judgments, assumptions, and estimates upon which our critical accounting policies and estimates are based.

See Part I, Item 1, Financial Statements, "Note 3 — Accounting Pronouncements," to the unaudited condensed consolidated financial statements for a description of the recent accounting pronouncements.

## Item 3. Quantitative and Qualitative Disclosures about Market Risk

There has been no significant change in our exposure to market risk when compared to those disclosed in Part II, Item 7A. "Quantitative and Qualitative Disclosures about Market Risk" in our Form 10-K.

## Item 4. Controls and Procedures

### Conclusions Regarding Disclosure Controls and Procedures

Robert W. Eifler, President and Chief Executive Officer (Principal Executive Officer) of Noble, and Richard B. Barker, Executive Vice President and Chief Financial Officer (Principal Financial Officer) of Noble, have evaluated the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this report. On the basis of this evaluation and, as a result of the material weakness in internal control over financial reporting as described below, Mr. Eifler and Mr. Barker have concluded that Noble's disclosure controls and procedures were not effective as of June 30, 2024.

### Previously Reported Material Weakness

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

As disclosed in our Form 10-K, we previously identified a material weakness in the Company's internal control over financial reporting as the Company did not design and maintain effective controls over certain information technology general controls for an information system that is relevant to the preparation of Noble's consolidated financial statements. Specifically, the Company did not design and maintain (i) program change management controls to ensure that program and data changes are identified, tested, authorized, and implemented appropriately and (ii) user access controls to ensure appropriate segregation of duties and to adequately restrict user and privileged access to appropriate personnel.

The material weakness described above did not result in a misstatement to our annual or interim consolidated financial statements. However, the material weakness could result in a misstatement of our financial statement accounts or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected.

### Remediation Plan

Noble is committed to the planning and implementation of remediation efforts to address the material weakness described above. As of the end of the third quarter of 2023, we completed the design and implementation of controls related to (i) program change management controls to ensure that program and data changes are identified, tested, authorized, and implemented appropriately and (ii) user access controls to ensure appropriate segregation of duties and to adequately restrict user and privileged access to appropriate personnel. While we have completed the design and implementation of these controls, certain controls have not operated effectively for a sufficient period of time to demonstrate the material weakness has been remediated. Therefore, the remediation plan includes the continued operation of the newly designed and implemented controls.

Noble is working to remediate the material weakness by executing the measures outlined above, and we believe the measures described above will remediate the material weakness and strengthen our internal control over financial reporting. This material weakness will not be considered remediated until the applicable controls operate for a sufficient period of time and management has concluded through testing that the controls are operating effectively.

The actions that we are taking are subject to ongoing senior management review as well as Audit Committee oversight. As we continue to monitor the effectiveness of our internal control over financial reporting in the area affected by the material weakness, we will perform additional procedures, including the use of manual mitigating control procedures where necessary, and plan to employ any additional resources deemed necessary to provide assurance that our financial statements continue to be fairly stated in all material respects. As we continue to evaluate and work to improve our internal control over financial reporting, management may execute additional measures to address potential control deficiencies or modify the remediation plan described above. Management will continue reviewing and making necessary changes to our internal controls' overall design.

**Changes in Internal Control Over Financial Reporting**

There were no changes in Noble's internal control over financial reporting that occurred during the quarter ended June 30, 2024, that have materially affected, or are reasonably likely to materially affect, the internal control over financial reporting of Noble.

**Limitations on the Effectiveness of Controls**

Internal control over financial reporting includes the controls themselves, monitoring (including internal auditing practices), and actions taken to correct deficiencies as identified. There are inherent limitations to the effectiveness of internal control over financial reporting, however well designed, including the possibility of human error and the possible circumvention or overriding of controls. The design of an internal control system is also based in part upon assumptions and judgments made by management about the likelihood of future events, and there can be no assurance that an internal control will be effective under all potential future conditions. As a result, even an effective system of internal controls can provide no more than reasonable assurance with respect to the fair presentation of financial statements and the processes under which they were prepared.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

Information regarding legal proceedings is presented in "Note 10 — Commitments and Contingencies," to our unaudited condensed consolidated financial statements included in Item 1 of Part I of this Quarterly Report on Form 10-Q and is incorporated herein by reference.

### Item 1A. Risk Factors

There are numerous factors that affect our business and results of operations, many of which are beyond our control. You should carefully read and consider "Item 1A. Risk Factors" in Part I and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II of our Form 10-K, which contains descriptions of significant risks that might cause our actual results of operations in future periods to differ materially from those currently anticipated or expected. There have been no material changes from the risk factors disclosed in our Form 10-K other than the addition of the text below.

#### Risks Related to the Diamond Transaction

***Failure to complete the Diamond Transaction in a timely manner or at all could have adverse effects on the market value, trading price, and/or the future business results and financial condition of Noble.***

The completion of the Diamond Transaction is subject to a number of conditions, including, among others, (i) the receipt of the Diamond stockholder approval, (ii) the receipt of any regulatory approvals, (iii) the absence of any order or law prohibiting consummation of the Diamond Transaction, (iv) the absence of any material adverse effect on Diamond or Noble since the date of the Diamond Merger Agreement, and (v) the authorization for listing on the NYSE of the Ordinary Shares to be issued in connection with the Diamond Merger Agreement. These conditions make the completion and timing of the Diamond Transaction uncertain.

In addition, if the Diamond Transaction is not completed by June 9, 2025, or, in certain instances, on or before June 9, 2026, either Noble or Diamond may choose not to proceed with the Diamond Transaction by terminating the merger agreement. Further, either Noble or Diamond may elect to terminate the merger agreement in certain other circumstances and the parties can mutually decide to terminate the merger agreement at any time.

If the Diamond Transaction is not completed, the ongoing business, financial condition, financial results, and stock price of Noble may be adversely affected. Without realizing any of the benefits of having completed the Diamond Transaction, Noble may be subject to a number of risks, including the following:

- the market price of Ordinary Shares could decline to the extent that the current market price reflects a market assumption that the Diamond Transaction will be completed;
- if the merger agreement is terminated and Noble seeks another business combination, Noble shareholders cannot be certain that Noble will be able to find a party willing to enter into a transaction on terms equivalent to or more attractive than the terms that the other party has agreed to in the merger agreement;
- time and resources committed by Noble's management team to matters relating to the Diamond Transaction could otherwise have been devoted to pursuing other beneficial opportunities for their respective companies;
- Noble may experience negative reactions from the financial markets or from their respective customers, suppliers, business partners, or employees;
- Noble will be required to pay their respective costs relating to the Diamond Transaction, such as legal, accounting, financial advising, and other fees and expenses, whether or not such transactions are completed;
- litigation against Noble and Diamond, such as securities class action lawsuits and derivative lawsuits, could result in substantial costs, an injunction preventing the completion of the Diamond Transaction, and/or a judgment resulting in the payment of damages; and
- litigation related to any failure to complete the Diamond Transaction or related to any enforcement proceeding commenced against Noble to perform their respective obligations pursuant to the merger agreement, which may result in injunctions or significant additional expenses.

The materialization of any of these risks could adversely impact Noble's ongoing businesses, financial condition, financial results, and the trading price of Ordinary Shares. Similarly, delays or diversions of management's attention in the completion of the Diamond Transaction could have other negative effects associated with uncertainty about completion of the Diamond Transaction.

***Noble may not achieve the intended benefits of the Diamond Transaction, and the Diamond Transaction may disrupt its current plans or operations.***

There can be no assurance that Noble will be able to successfully integrate Diamond assets or otherwise realize the expected benefits of the Diamond Transaction. Difficulties in integrating Diamond into Noble may result in Noble performing differently than expected, in operational challenges or in the failure to realize anticipated synergies and efficiencies in the expected time frame or at all. The anticipated benefits and cost savings of the merger may not be realized fully or at all, may take longer to realize than expected, or could have other adverse effects that Noble does not currently foresee. These anticipated benefits include an assumption that Noble is able to realize annual pre-tax cost synergies of approximately \$100 million, in which case the Diamond Transaction may not be accretive to earnings per share, may not improve Noble's balance sheet position, may not enhance Noble's ability to deliver, and may not generate additional free cash flow.

Following completion of the Diamond Transaction, the combined company's success will depend, in part, on Noble's ability to manage the expansion resulting from the Diamond Transaction, which poses numerous risks and uncertainties. The integration of the two companies may result in material challenges, including the diversion of management's attention from ongoing business concerns; attracting, motivating, and retaining key management and other employees; retaining or attracting business, customer, and operational relationships; the possibility of faulty assumptions underlying expectations regarding the integration process and associated expenses; consolidating corporate and administrative infrastructures and eliminating duplicative operations; coordinating geographically separate organizations; unanticipated issues in integrating information technology, communications, and other systems; as well as potential unknown liabilities, unforeseen expenses relating to integration, or delays associated with the acquisition. Additionally, if relationships with customers, distributors, suppliers, vendors, landlords, and other business partners are adversely affected by the Diamond Transaction, or if Noble, following completion of the Diamond Transaction, loses the benefits of certain contracts of Diamond, Noble's business, prospects, liquidity, and financial performance could suffer. Further, the market price of Noble Ordinary Shares may decline as a result of completing the Diamond Transaction if, among other things, it is unable to achieve the expected benefits and synergies of the Diamond Transaction.

In addition, Noble's obligation to consummate the Diamond Transaction is not conditioned on the availability of financing to pay the \$5.65 per share cash portion of the merger consideration. Accessing such cash consideration through the capital markets and cash on hand may result in increased leverage and debt service costs, issuance of dilutive equity, or other adverse impacts on Noble's future liquidity.

## **Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

### **Exercises of Warrants**

During the three months ended June 30, 2024:

- 44,896 Ordinary Shares were issued to holders of our Tranche 1 Warrants pursuant to exercises of 73,176 Tranche 1 Warrants; and
- 36,951 Ordinary Shares were issued to holders of our Tranche 2 Warrants pursuant to exercises of 68,624 Tranche 2 Warrants.
- 1 Ordinary Share was issued to holders of our Tranche 3 Warrants pursuant to exercises of 116 Tranche 3 Warrants.

Such Ordinary Shares were issued pursuant to the exemptions from the registration requirements of the Securities Act under Section 4(a)(2) under the Securities Act or Section 1145 of the Bankruptcy Code. For more information on the terms of exercise and other features of the warrants, see our Form 10-K.

## **Item 5. Other Information**

Our directors and executive officers may from time to time enter into plans or other arrangements for the purchase or sale of our shares that are intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or may represent a non-Rule

10b5-1 trading arrangement under the Exchange Act. During the three months ended June 30, 2024, no such plans or other arrangements were adopted, terminated or modified.

## **Item 6. Exhibits**

The following exhibits are filed as part of this Quarterly Report on Form 10-Q.

## Index to Exhibits

Exhibit Number	Exhibit
2.1†	<a href="#">Business Combination Agreement, dated as of November 10, 2021, by and among Noble Corporation, Noble Finco Limited (n/k/a Noble Corporation plc), Noble Newco Sub Limited and The Drilling Company of 1972 A/S (filed as Exhibit 2.1 to Noble Corporation's Current Report on Form 8-K filed on November 10, 2021 and incorporated herein by reference).</a>
2.2	<a href="#">Amendment No. 1 to Business Combination Agreement, dated as of August 5, 2022, by and among Noble Corporation plc, Noble Corporation, Noble Newco Sub Limited and The Drilling Company of 1972 A/S. (filed as Exhibit 2.1 to Noble Corporation's Current Report on Form 8-K filed on August 5, 2022 and incorporated herein by reference).</a>
2.3†+	<a href="#">Agreement and Plan of Merger, dated as of June 9, 2024, by and among Noble Corporation plc, Diamond Offshore Drilling, Inc., Dolphin Merger Sub 1, Inc. and Dolphin Merger Sub 2, Inc. (filed as Exhibit 2.1 to Noble's Current Report on Form 8-K filed on June 10, 2024 and incorporated herein by reference).</a>
3.1	<a href="#">Amended and Restated Articles of Association of Noble Corporation plc (filed as Exhibit 3.1 to Noble's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 and incorporated herein by reference).</a>
10.1*	<a href="#">First Amendment to the Noble Corporation plc 2022 Long-Term Incentive Plan, effective as of April 1, 2024 (filed as Exhibit 99.2 to Noble's Registration Statement on Form S-8 filed on May 21, 2024 and incorporated herein by reference).</a>
10.2	<a href="#">First Amendment to the Amended and Restated Senior Secured Revolving Credit Agreement, dated as of June 24, 2024 by and among Noble Finance II LLC, Noble International Finance Company, Noble Drilling A/S, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (filed as Exhibit 10.1 to Noble's Current Report on Form 8-K filed on June 27, 2024 and incorporated herein by reference).</a>
31.1	<a href="#">Certification of Robert W. Eifler, pursuant to the U.S. Securities Exchange Act of 1934, as amended, Rule 13a-14(a) or Rule 15d-14(a).</a>
31.2	<a href="#">Certification of Richard B. Barker, pursuant to the U.S. Securities Exchange Act of 1934, as amended, Rule 13a-14(a) or Rule 15d-14(a).</a>
32.1†	<a href="#">Certification of Robert W. Eifler, pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
32.2†	<a href="#">Certification of Richard B. Barker, pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.

104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

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- \* Management contract or compensatory plan or arrangement.
- † Certain portions of the exhibit have been omitted. The Company agrees to furnish a supplemental copy with any omitted information to the SEC upon request.
- + Furnished in accordance with Item 601(b)(32)(ii) of Regulation S-K.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**Noble Corporation plc**, a public limited company formed under the laws of England and Wales

/s/ Richard B. Barker

Richard B. Barker  
Executive Vice President and Chief Financial Officer  
(Principal Financial Officer)

August 1, 2024

Date

/s/ Jennifer Yeung

Jennifer Yeung  
Vice President, Chief Accounting Officer and Controller  
(Principal Accounting Officer)

August 1, 2024

Date

**CERTIFICATION PURSUANT TO  
EXCHANGE ACT RULE 13a-14(a) OR RULE 15d-14(a)**

I, Robert W. Eifler, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Noble Corporation plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Robert W. Eifler

Robert W. Eifler

President and Chief Executive Officer (Principal Executive Officer) of Noble Corporation plc, a public limited company  
incorporated under the laws of England and Wales

August 1, 2024

Date

**CERTIFICATION PURSUANT TO  
EXCHANGE ACT RULE 13a-14(a) OR RULE 15d-14(a)**

I, Richard B. Barker, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Noble Corporation plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Richard B. Barker

Richard B. Barker

Executive Vice President and Chief Financial Officer (Principal Financial Officer) of Noble Corporation plc, a public limited company incorporated under the laws of England and Wales

August 1, 2024

Date

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Noble Corporation plc, a public limited company incorporated under the laws of England and Wales (the "Company") on Form 10-Q for the period ended June 30, 2024, as filed with the United States Securities and Exchange Commission on the date hereof (the "Report"), I, Robert W. Eifler, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert W. Eifler

Robert W. Eifler

President and Chief Executive Officer (Principal Executive Officer) of Noble Corporation plc, a public limited company  
incorporated under the laws of England and Wales

August 1, 2024

Date

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Noble Corporation plc, a public limited company incorporated under the laws of England and Wales (the "Company") on Form 10-Q for the period ended June 30, 2024, as filed with the United States Securities and Exchange Commission on the date hereof (the "Report"), I, Richard B. Barker, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

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/s/ Richard B. Barker

Richard B. Barker

Executive Vice President and Chief Financial Officer (Principal Financial Officer) of Noble Corporation plc, a public limited company incorporated under the laws of England and Wales

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August 1, 2024

Date