



AWILCO DRILLING

Q1 2020 presentation

13 May 2020

Agenda

1. Q1 financials
2. UK status
3. Newbuild status
4. Financing
5. Q&A



1. Q1 Financials



Q1 2020 Income Statement

Condensed statement of comprehensive income
in USD thousands, except earnings per share

	Q1 2020 (unaudited)	Q1 2019 (unaudited)
Contract revenue	-	8,972
Reimbursables	-	(23)
Other revenue	3	113
	<u>3</u>	<u>9,062</u>
Rig operating expenses	4,857	6,253
Reimbursables	-	2
General and administrative expenses	2,575	3,133
Depreciation	2,518	2,651
	<u>9,950</u>	<u>12,039</u>
Operating loss	<u>(9,947)</u>	<u>(2,977)</u>
Interest income	371	533
Interest expense	(7)	-
Other financial items	258	142
Net financial items	<u>622</u>	<u>675</u>
Loss before tax	(9,325)	(2,302)
Tax expense	(78)	(50)
Net loss	<u>(9,403)</u>	<u>(2,352)</u>
Total comprehensive loss	<u>(9,403)</u>	<u>(2,352)</u>
Attributable to shareholders of the parent	(9,403)	(2,352)
Basic and diluted loss per share	(0.17)	(0.05)



Q1 2020 Balance Sheet

Condensed statement of financial position

in USD thousands

	31.03.2020	31.03.2019
	(unaudited)	(unaudited)
Rigs, machinery and equipment	212 382	186 761
Right-of-use asset	1 337	-
Deferred tax asset	30	461
	<u>213 749</u>	<u>187 222</u>
Trade and other receivables	259	9 075
Prepayments and accrued revenue	1 109	2 862
Inventory	4 695	4 809
Cash and cash equivalents	27 718	63 865
Current tax	0	340
	<u>33 781</u>	<u>80 951</u>
Total assets	<u>247 530</u>	<u>268 173</u>
Paid in capital	218 905	198 719
Retained earnings	22 677	62 671
	<u>241 582</u>	<u>261 390</u>
Trade and other creditors	2 459	1 213
Accruals and provisions	3 418	5 504
Current tax payable	71	66
	<u>5 948</u>	<u>6 783</u>
Total equity and liabilities	<u>247 530</u>	<u>268 173</u>



2. UK Status

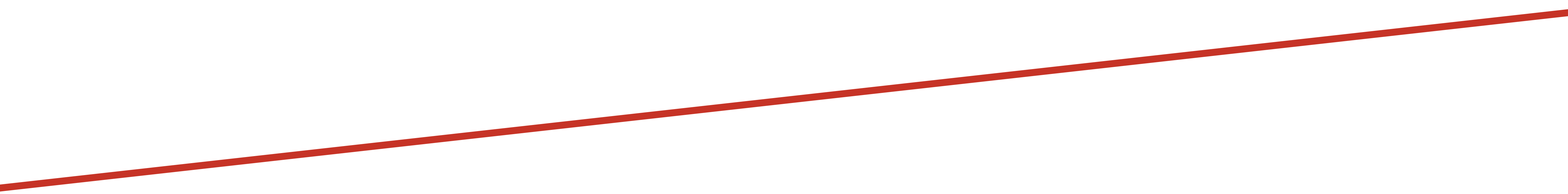


UK Status

- Contract signed with Petrofac for a three or four well P&A program estimated at 100 days
- Commencement moved from 1 May to 25 May 2020, Opex covered in the period
- Contract signed with Serica Energy (UK) Ltd. for a one well workover estimated at 70 days, with commencement 15 September 2020
- Limited visibility of 2021 demand in the UK due to oil price collapse and Covid-19, however some attractive opportunities remain



3. Newbuild Status



Massive CS60 hull arriving in Singapore earlier this year

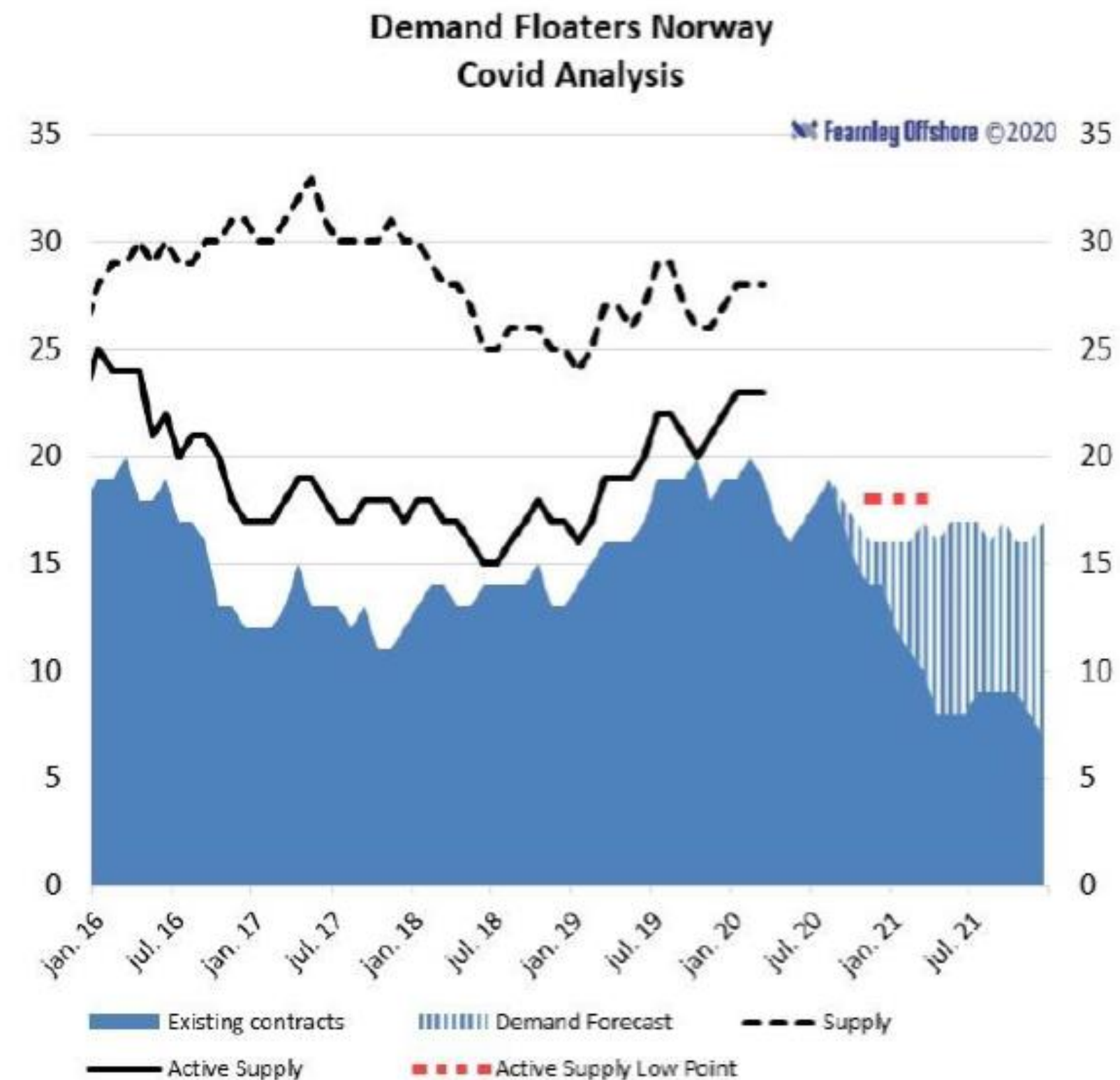
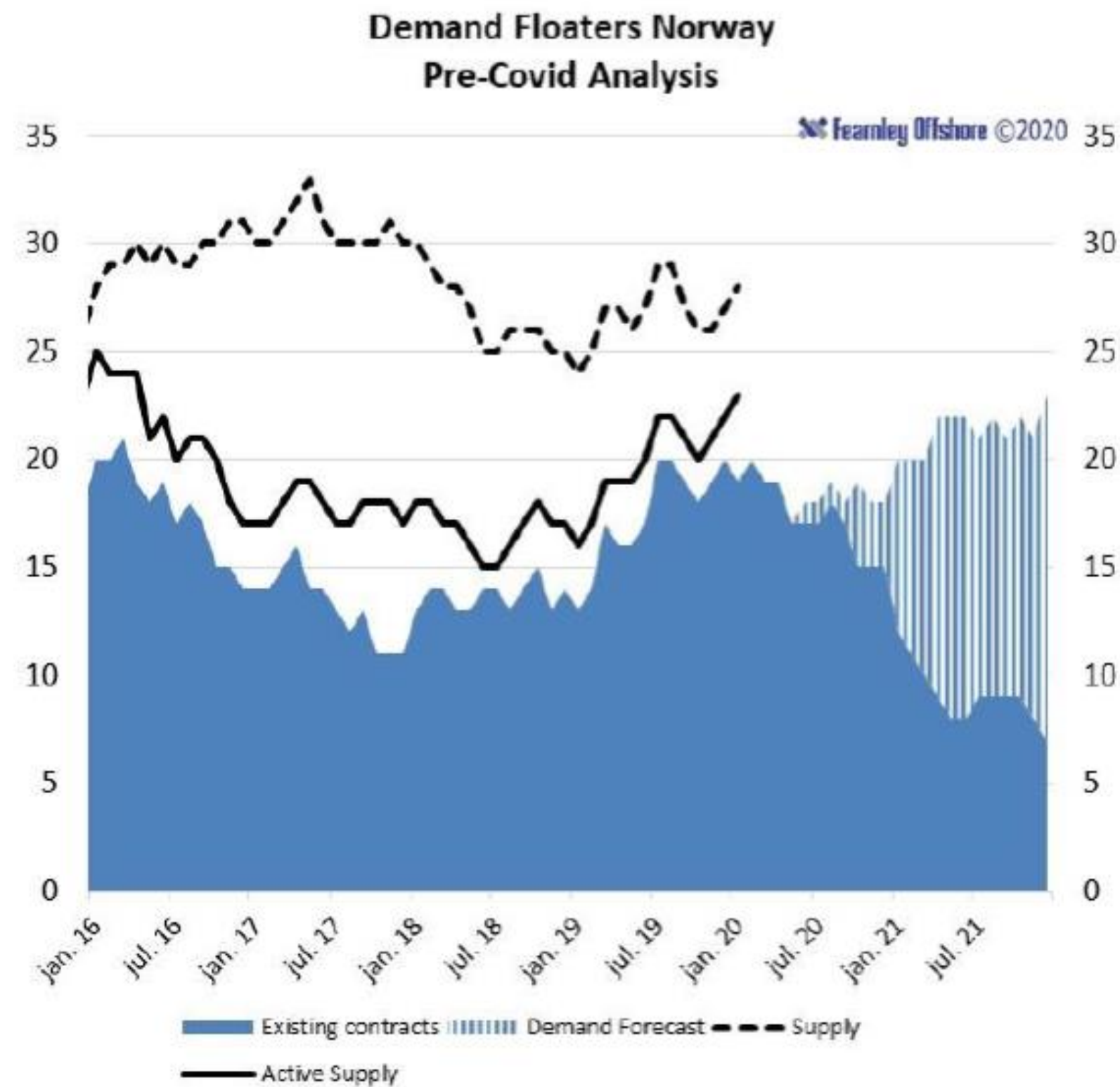


Newbuild progress on Nordic Winter & Nordic Spring

Slow progress on Nordic Winter in Singapore the last month due to governmental Covid-19 restrictions

Progress on Nordic Spring continues as per schedule

The market has rapidly changed with Covid-19 and the fall in oil price



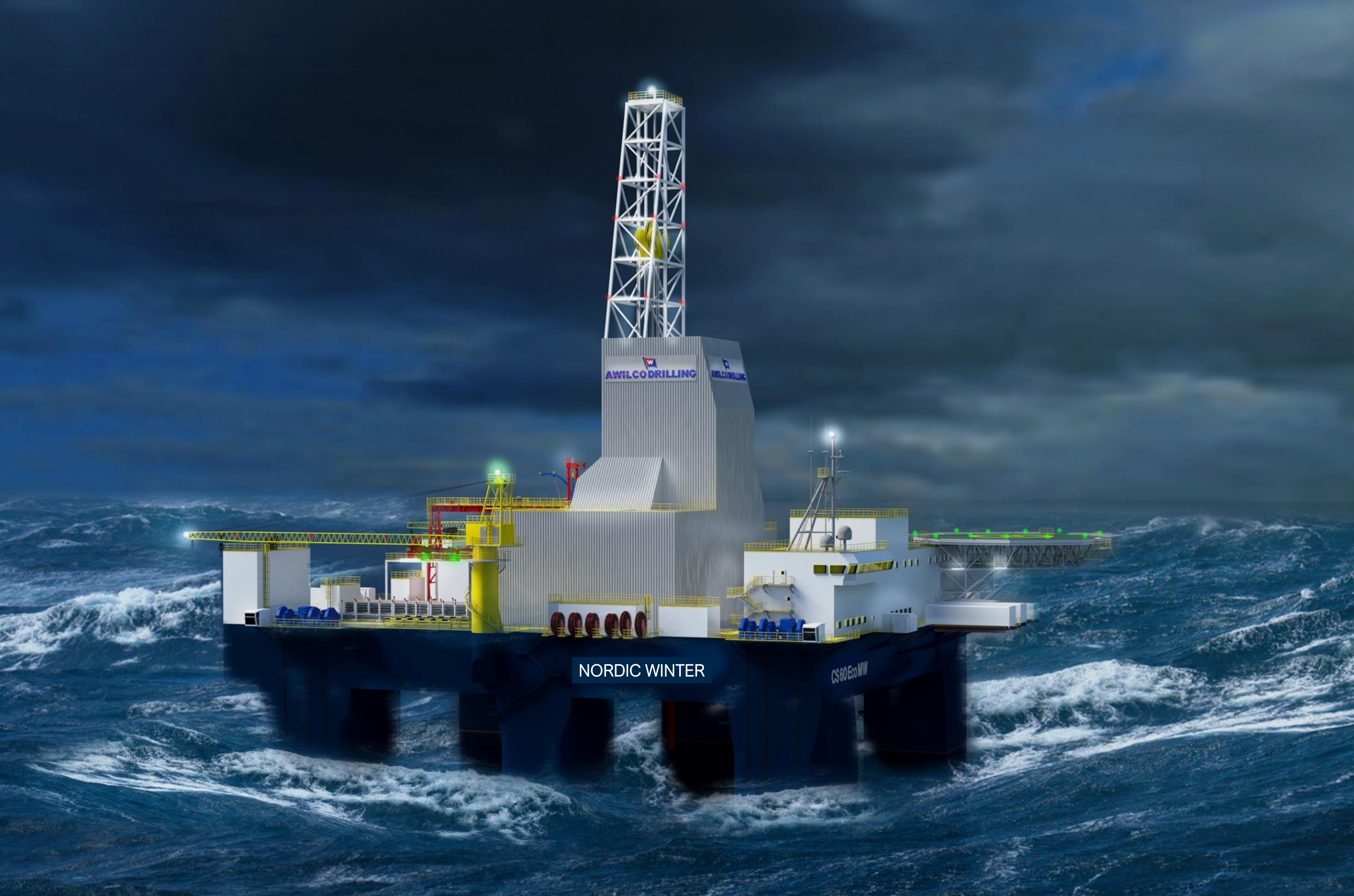
- E&P companies are cutting 20-30% of their 2020 investment budgets
- Continued preference for Tier 1 rigs expected
- Reduced market supply expected due to cold stacking and attrition



Contract Opportunities

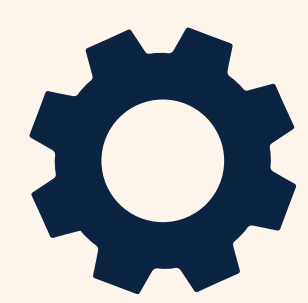
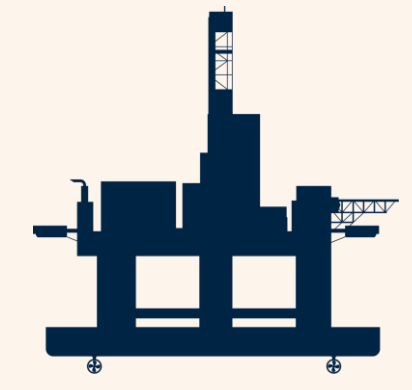
- Customers now well familiar with our rig capabilities and operating concepts
- We offer significant savings for the customer on total well cost
- The most efficient technical configuration to date
- Groundbreaking ESG profile
- Undoubtedly well positioned for future long term drilling programs
- Currently discussing opportunities straight from delivery
- Only considering long term opportunities
 - *Could be one program or a combination of several programs*



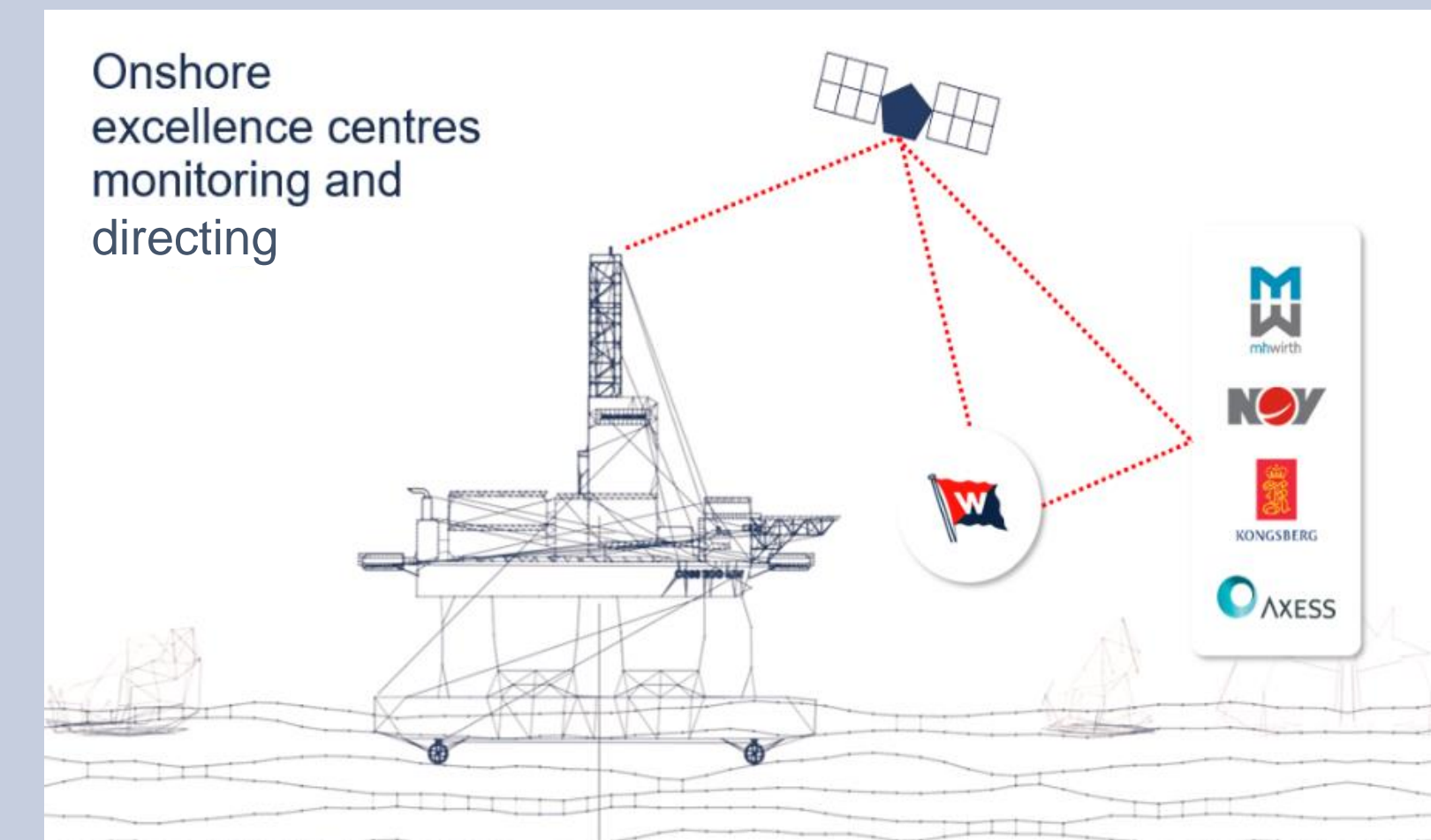
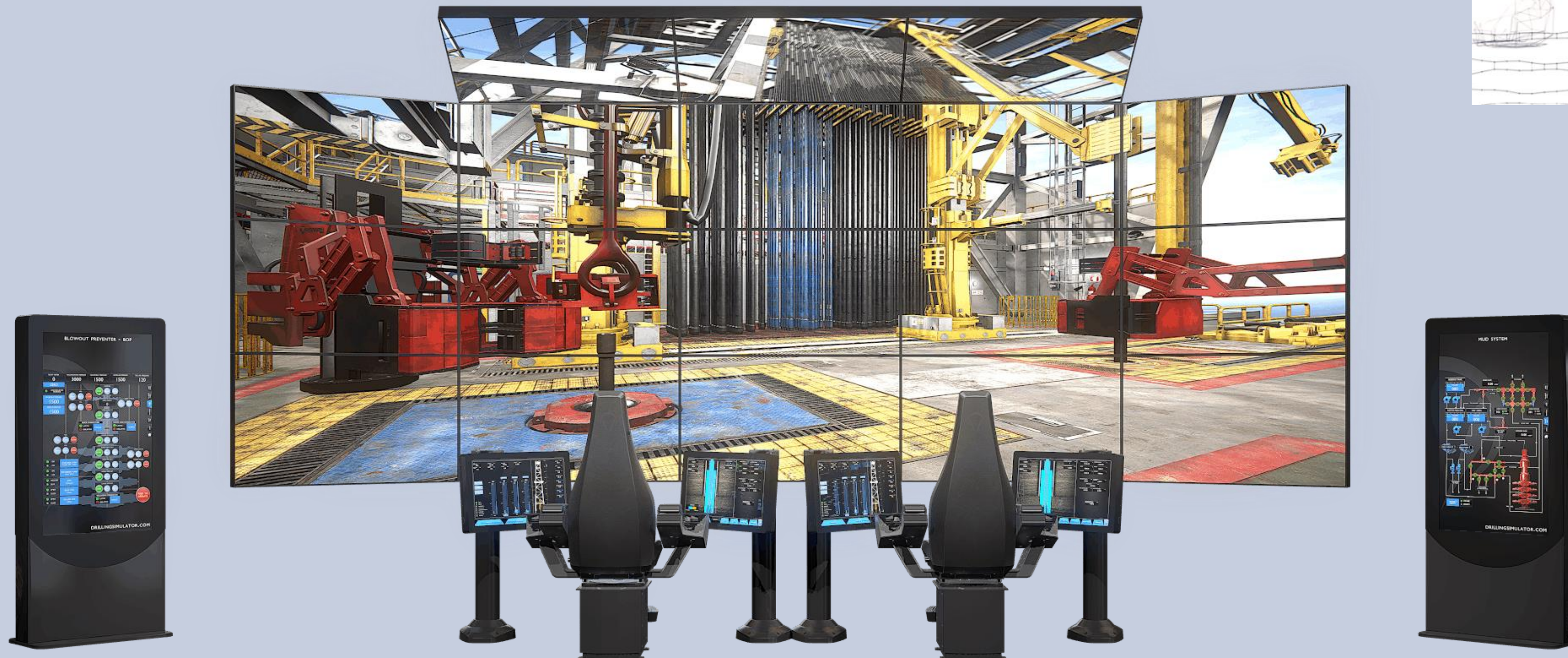


NORDIC WINTER

CS60 Eco MW



Digitalization and Service Integration is taken to a new level



Unique features differentiating ourselves significantly from peers



ESG

- 40%
in 2021

340
1020



ESG

Will achieve the 2030
GHG ambition in 2021

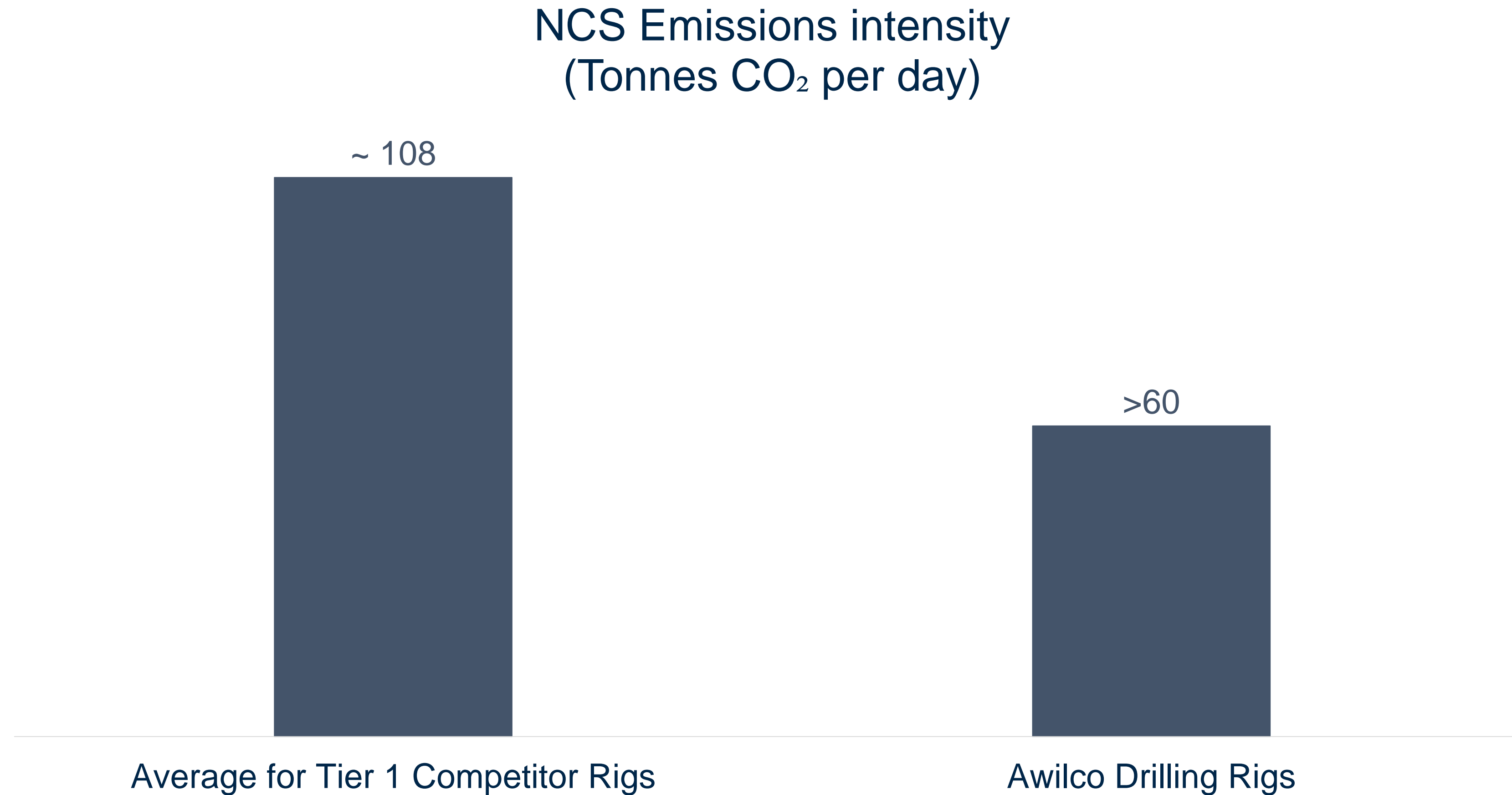
- 40%
in 2021

Each of our newbuilds creates
1360 jobs for Norwegian suppliers

340
(Direct jobs)
1020
(Indirect jobs)



Emission level and Fuel consumption: 45% lower than Tier 1 competitor rigs



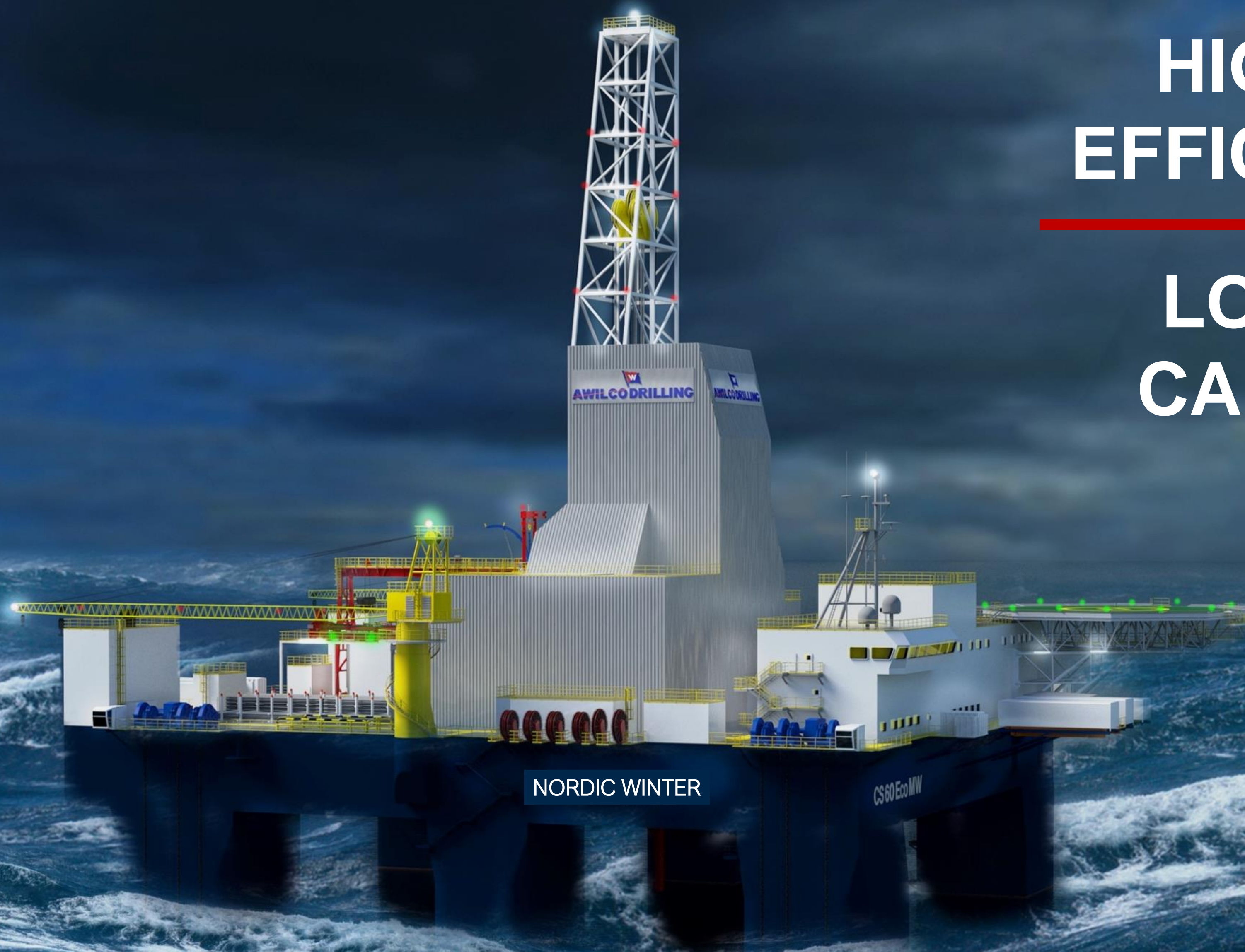
Considerably greener than all the rest

	Competitors units	Competitors units - Incl. retrofit solutions	Awilco Drilling Newbuild
Closed Bus design	✓	✓	✓
Closed Bus design integrated with hybrid energy solution	✗	✗	✓
Battery Package - Battery Power Class notation	✗	✓	✓
Hybrid solution fully designed and integrated into vessel Energy Management System & Power Management System	✗	✗	✓
Intelligent vessel energy management system	✓	✓	✓
Basic Heat Recovery System	✓	✓	✓
Extended Heat Recovery System	✗	✗	✓
Tier III emission compliance	✗	✓	✓
Re-generation of energy from all main rig consumers	✗	✗	✓



**HIGHER
EFFICIENCY**

**LOWER
CARBON**



NORDIC WINTER

CS 60 Eco MW

3. Financing



Financing

- Exploring all viable financing alternatives for the remainder of 2nd instalment and the take-out financing for Nordic Winter
- Capital to be raised only when required
- Financing structure will depend on term and value of rig contract
- Flexibility remains a key word in our case, which strengthens our position in these unprecedented times



Q&A



