



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

	<u>31.03.2020</u> (unaudited)	<u>31.03.2019</u> (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><u>247 530</u></u>	<u><u>268 173</u></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><u>247 530</u></u>	<u><u>268 173</u></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

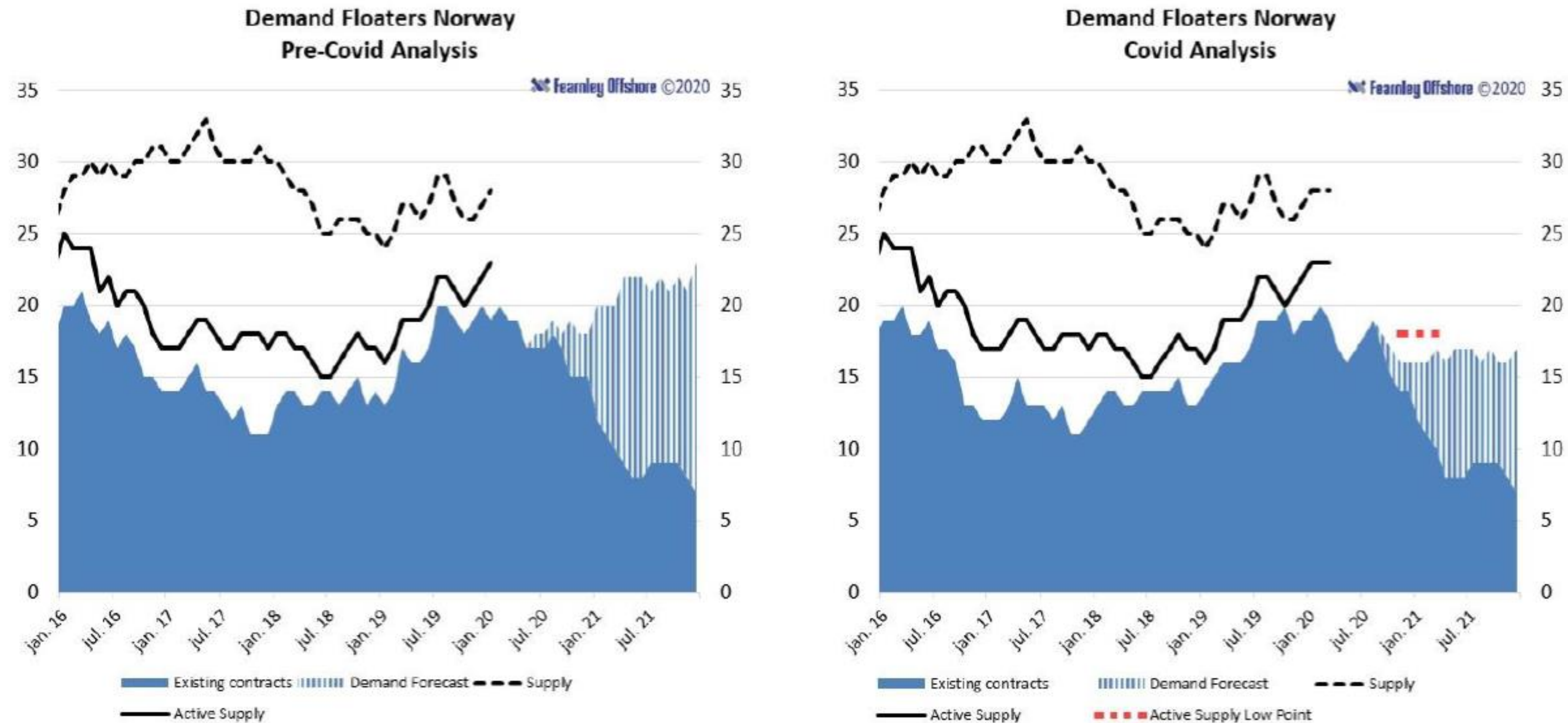


Newbuild progress on Nordic Winter & Nordic Spring

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



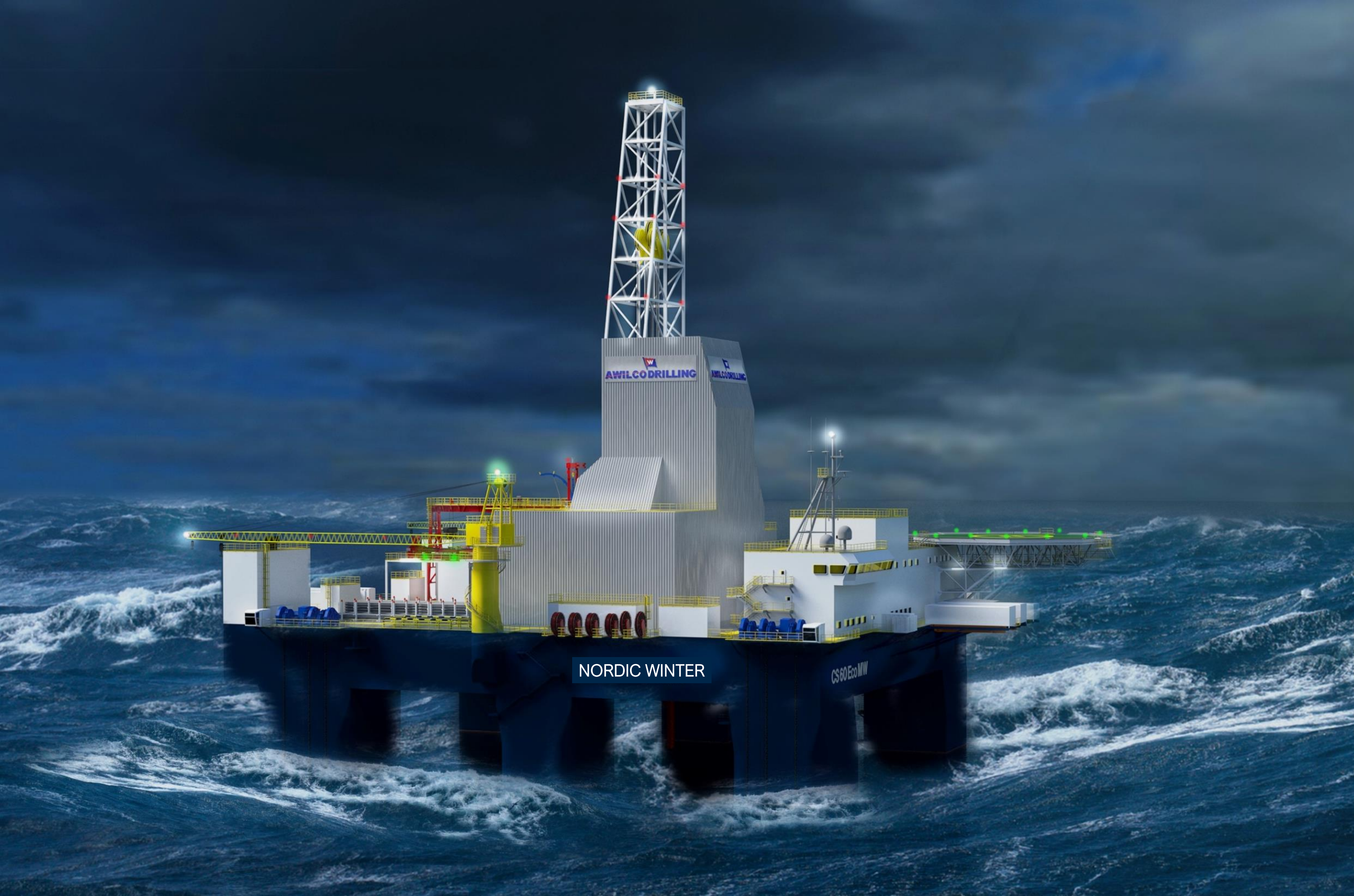
- E&P companies are cutting 20-30% of their 2020 investment budgets
- Continued preference for Tier 1 rigs expected
- Reduced market supply expected due to cold stacking and attrition



Contract Opportunities

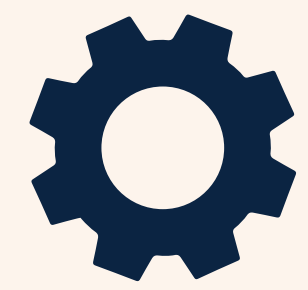
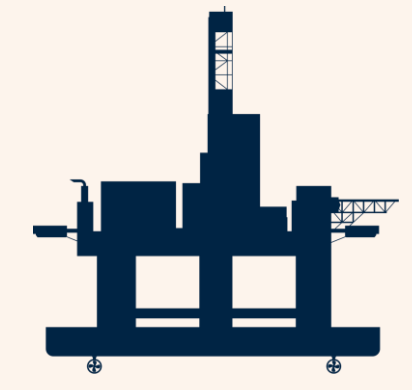
- Customers now well familiar with our rig capabilities and operating concepts
- We offer significant savings for the customer on total well cost
- The most efficient technical configuration to date
- Groundbreaking ESG profile
- Undoubtedly well positioned for future long term drilling programs
- Currently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



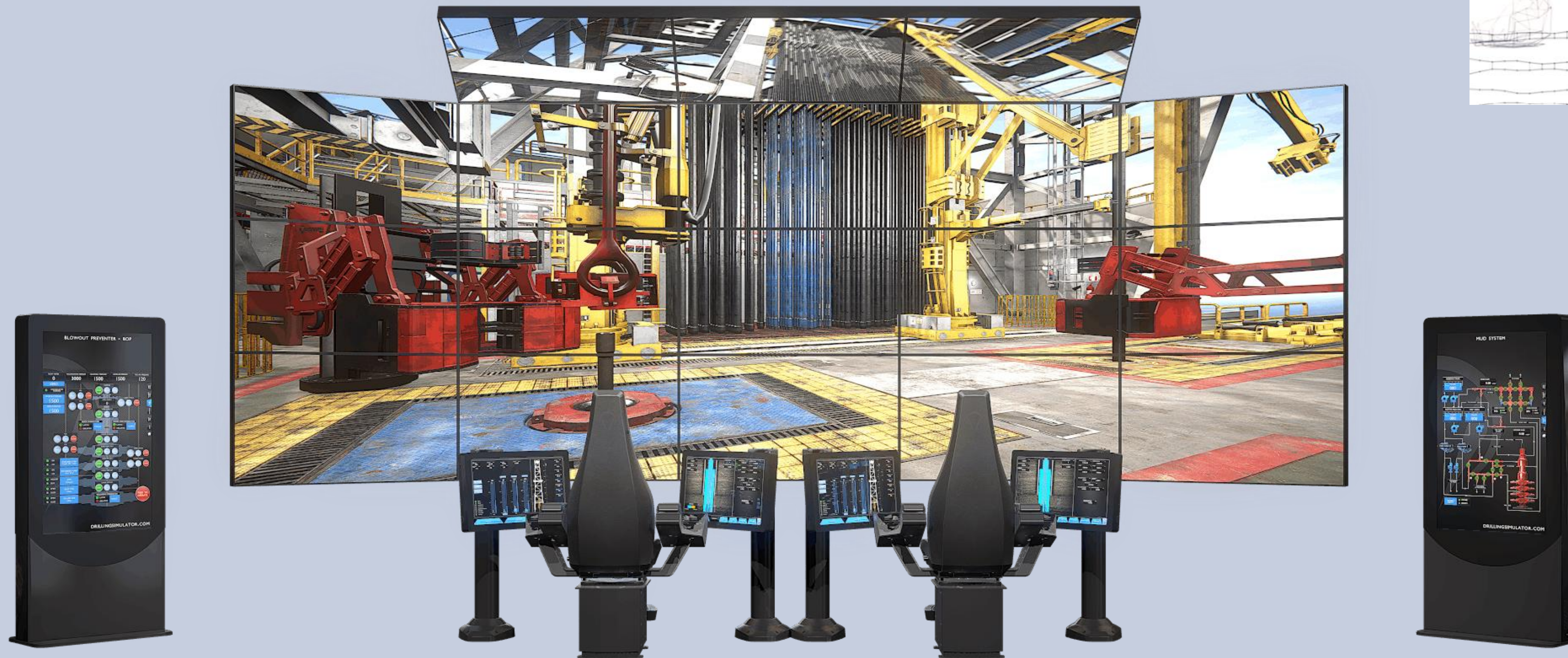
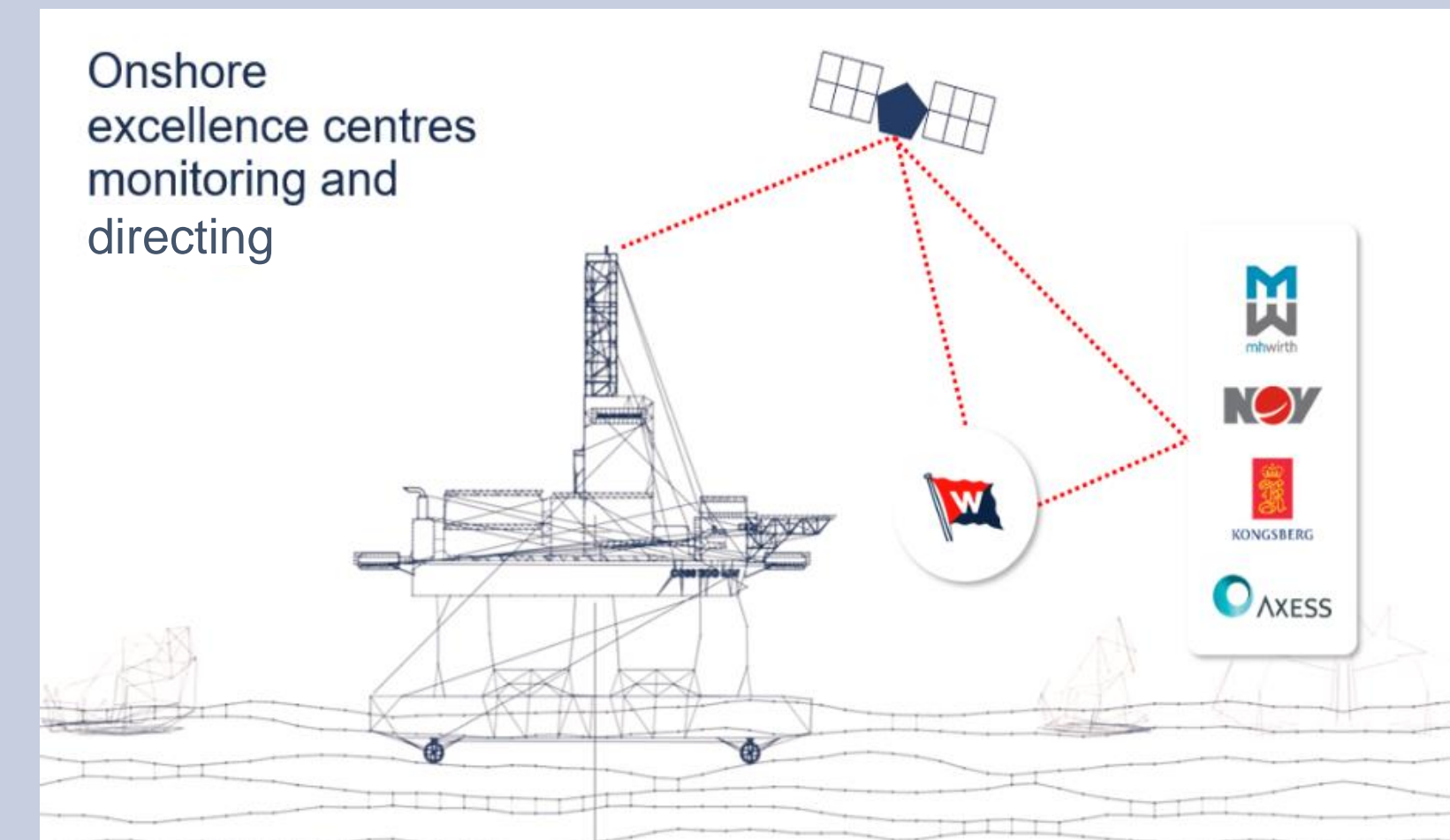


NORDIC WINTER

CS60 Eco MW



Digitalization and Service Integration is taken to a new level



Unique features differentiating ourselves significantly from peers



ESG

Will achieve the 2030
GHG ambition in 2021

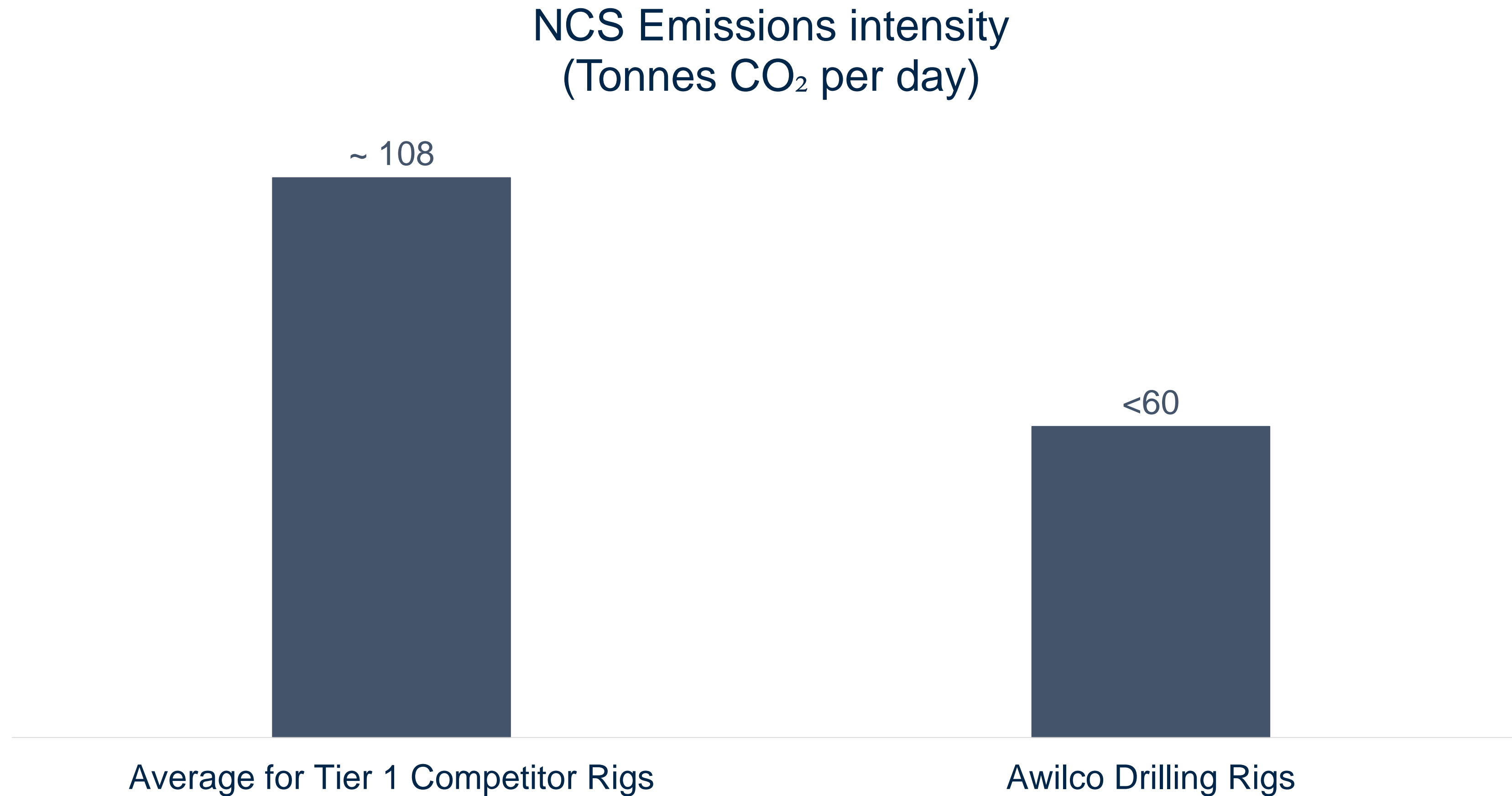
- 40%
in 2021

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



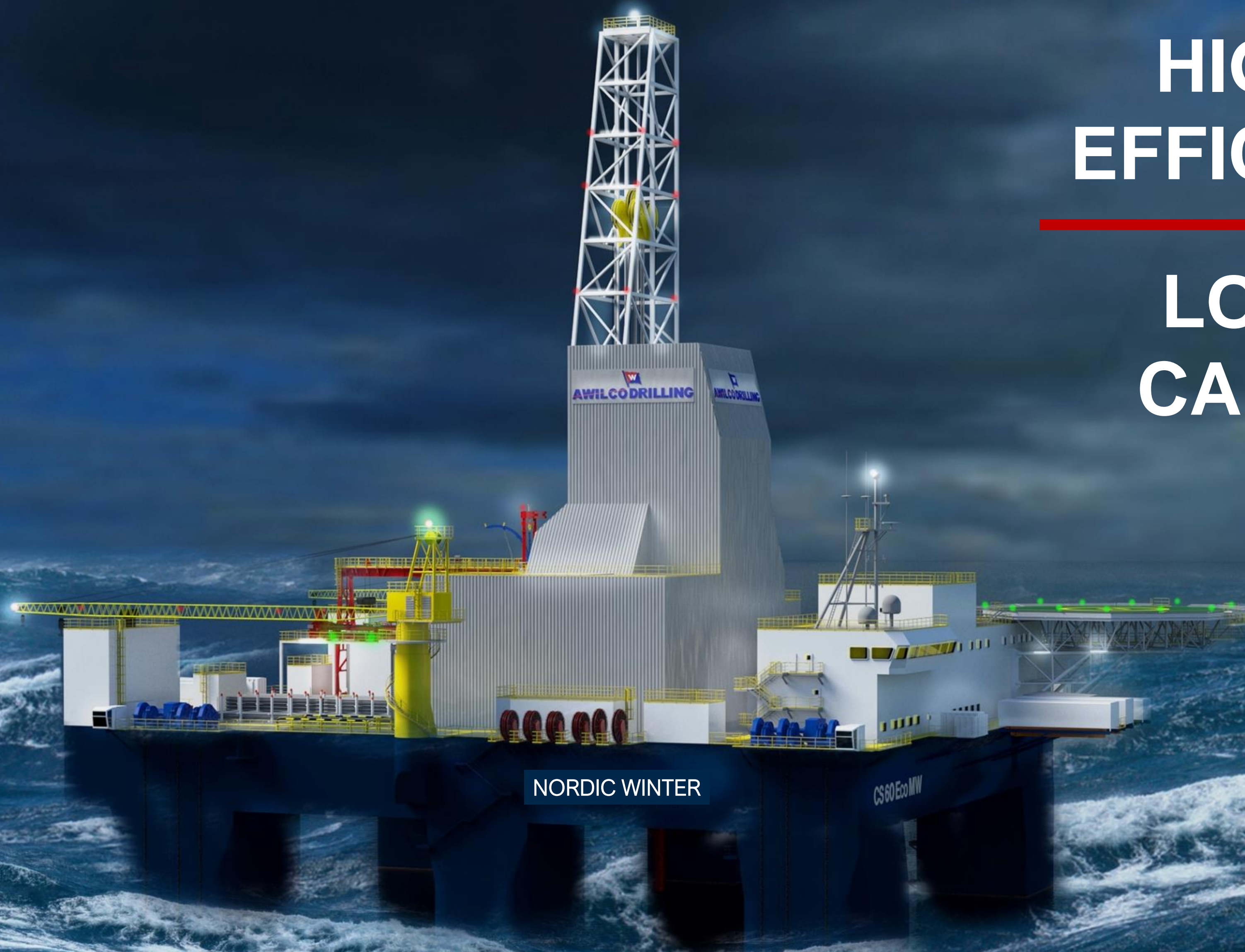
Considerably greener than all the rest

	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

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



