



## Pareto Securities Energy Conference 2021

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Chief Executive Officer

16 September 2021





# Disclaimer - forward looking statements

## Cautionary Statement Regarding Forward-Looking Statements

In addition to historical information, this presentation contains statements relating to our future business and/or results. These statements include certain projections and business trends that are “forward-looking.” All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements, including statements preceded by, followed by or that include the words “estimate,” pro forma numbers, “plan,” project,” “forecast,” “intend,” “expect,” “predict,” “anticipate,” “believe,” “think,” “view,” “seek,” “target,” “goal” or similar expressions; any projections of earnings, revenues, expenses, synergies, margins or other financial items; any statements of the plans, strategies and objectives of management for future operations, including integration and any potential restructuring plans; any statements concerning proposed new products, services, developments or industry rankings; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing.

Forward-looking statements do not guarantee future performance and involve risks and uncertainties. Actual results may differ materially from projected results/pro forma results as a result of certain risks and uncertainties. Further information about these risks and uncertainties are set forth in our most recent annual report for the Year ending December 31, 2020. These forward-looking statements are made only as of the date of this press release. We do not undertake any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in our records and other data available from Fourth parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies, which are impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.



## Introduction



### Resilient energy offering

Archer well positioned with resilient energy offering, providing low carbon and cost effective solutions



### Majority of Archers activity in production

Archer well positioned in production phase of the O&G life cycle, with limited exposure to exploration and development of new field



### P&A and decommissioning

Archer expanding service offering within P&A and decommissioning



### Positive cashflow

Positive cash flow and reduced NIBD by more than 275 million since end of 2016



### Committed to energy transition

Archer is embracing the required shift towards reduced carbon footprint and exploring green energy and non-oil and gas business growth



# Archer in brief

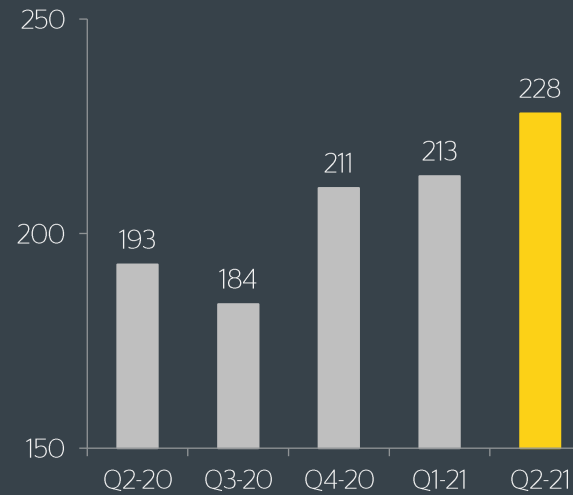
Platform Drilling			Well Services		Land Drilling	<b>Archer</b>
<b>Platform Drilling</b> North Sea focused Operate 37 platforms	<b>Engineering</b> North Sea focused Lifecycle engineering solutions	<b>Modular Rigs</b> Global business Own and operate two modular P&A rigs	<b>Wireline</b> North Sea focused Well integrity & intervention	<b>Oiltools</b> Global business Well integrity and downhole isolation products	<b>Land Drilling</b> Argentina and Bolivia Owns and operates 78 drilling, workover and pulling rigs	<b>Archer</b> Global I service company More than 4500 employees
						2020 revenue  ■ Norway ■ Rest of world
 \$392m	 \$87m	 \$31m	 \$37m	 \$90m	 \$186m	2020 revenue  \$824m
 ■ Production and P&A ■ New developments					 ■ Production ■ New developments	
					Focus on production and late life	



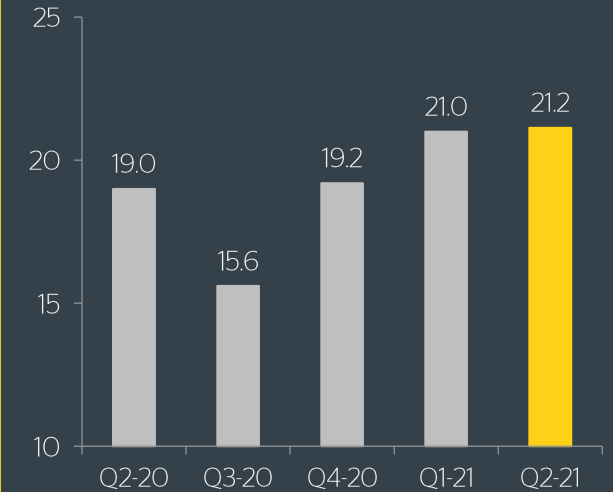
## Summary financials

- **Q2 Revenue** increased by 18.3% from Q2 2020
- **Q2 EBITDA** of \$21.2 million despite challenging situation in Argentina due to Covid-19
- **YTD positive net income** of \$7.7 million, equivalent to USD 0.05 per share
- Acquired and integrated **DeepWell** effecting NIBD by \$13.3 million
- **Available liquidity** of \$102 million at end of Q2
- **Limited amortization** before final maturity in Q4 2023 of main loan facility

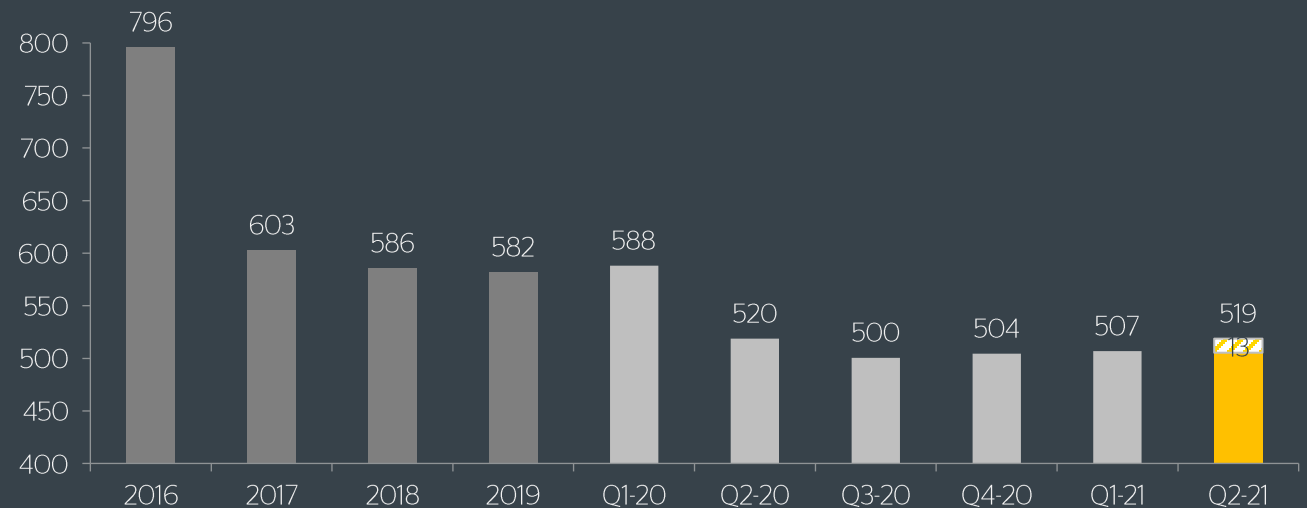
### Revenue (\$m)



### EBITDA (\$m)

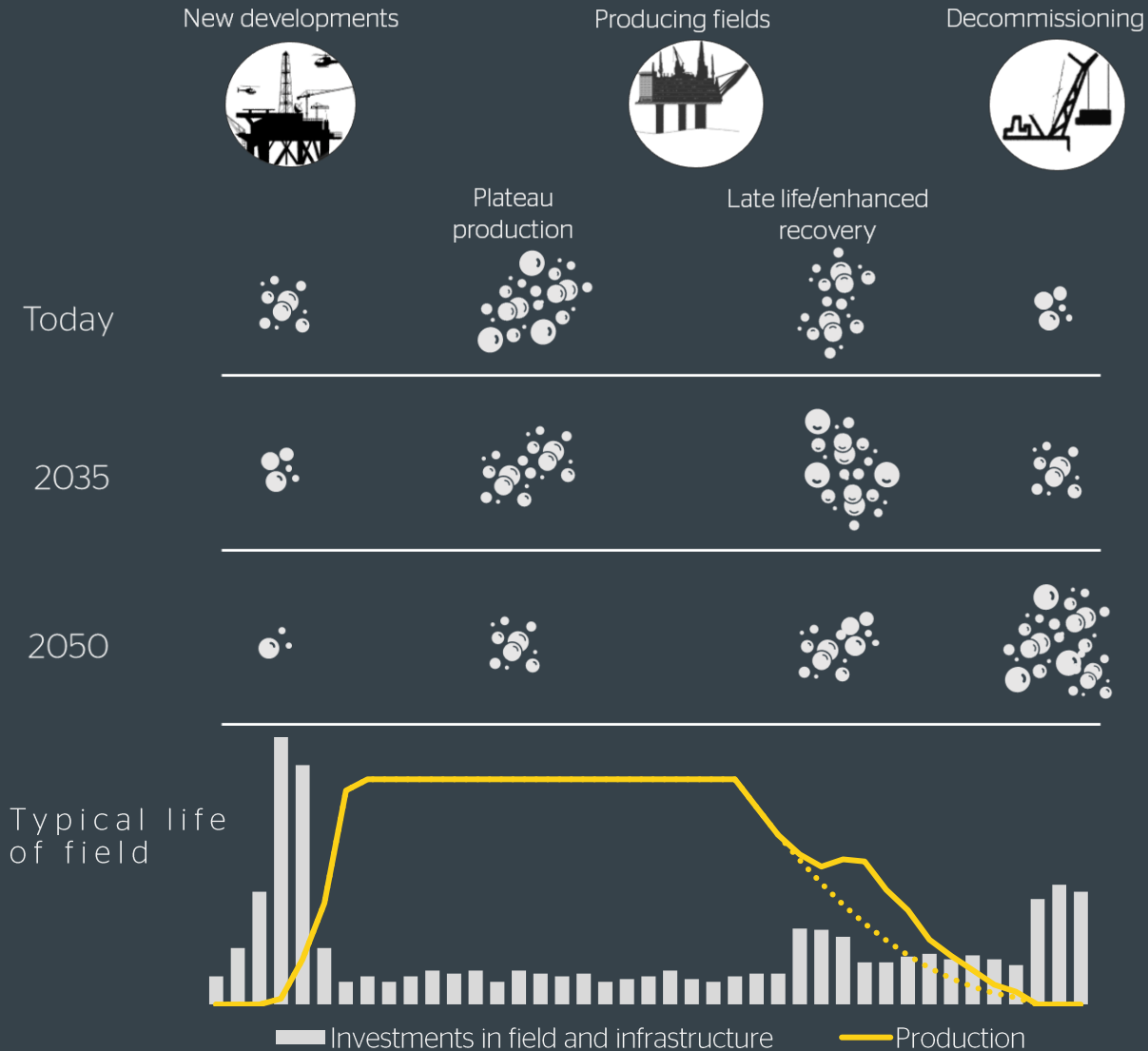


### Net interest-bearing debt (\$m)

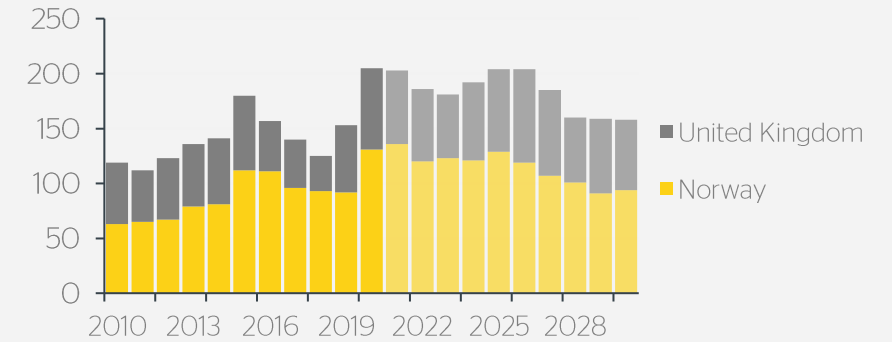




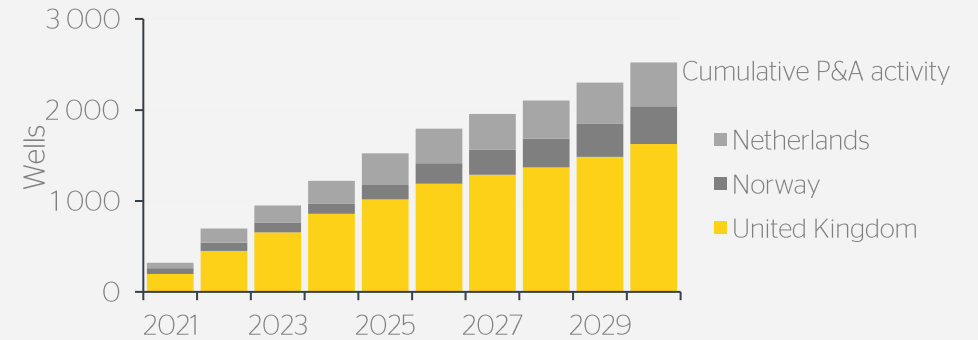
# Archer well positioned in the market



## Offshore production wells



## Forecasted P&A\* activity - North Sea



\*Includes P&A work that has been started, but not completed as of January 2021  
Source: Rystad Energy



# Archer's Wireline division repositioned on the NCS

## NOK 3.5 billion of contract awards

- Successful commencement of the Equinor contract with our alliance partners Schlumberger and Welltec
- Awarded long-term frame agreement with ConocoPhillips for the provision of wireline services on the NCS

## Acquired DeepWell

- Fast tracked acquisition of DeepWell to secure access to equipment, personnel, new product offerings and contracts
- Integration on plan

## Market leader

- Archer established as market leader for mechanical wireline on the NCS
- Archer the largest wireline intervention company on the NCS

## Record backlog of NOK 3.5 billion

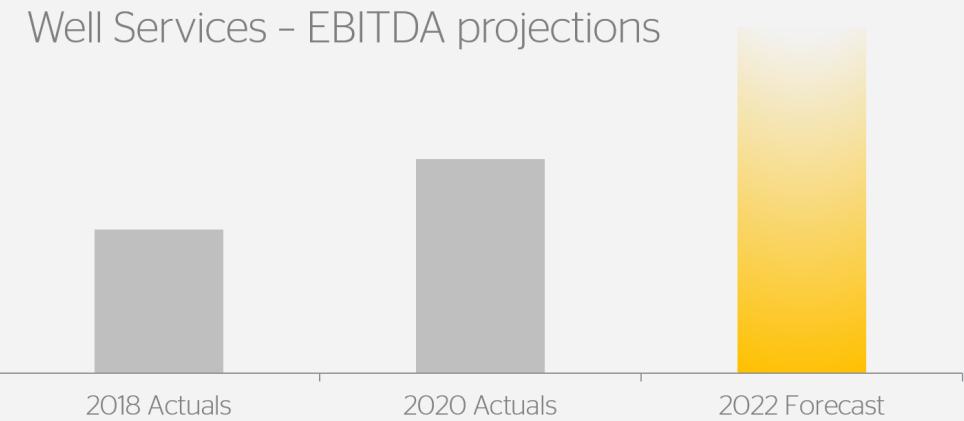
Field	Operator	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032												
Gullfaks	Equinor	■	■	■	■	■	■	■	■	■	■	■	■	Firm (30.04.2026)											3 x 2 Year Options (30.04.32)
Statfjord	Equinor	■	■	■	■	■	■	■	■	■	■	■	■	Firm (30.04.2026)											3 x 2 Year Options (30.04.32)
Ekofisk	Conocophillips	■	■	■	■	■	■	■	■	■	■	■	■	Firm (30.04.2026)											2 x 3 Year Options (30.04.32)
AKOFS Seafarer	AKOFS	■	■	■	■	■	■	■	■	■	■	■	■	Firm (30.10.2025)											1 x 3 Year Options (30.10.28)
Various drilling units	Lundin	■	■	■	■	■	■	■	■	■	■	■	■	Firm (14.12.21)											1 x 3 Year Options (14.12.24)
Draugen	OKEA	■	■	■	■	■	■	■	■	■	■	■	■	Firm to (31.03.22)											
Yme	Repsol	■	■	■	■	■	■	■	■	■	■	■	■	Firm to (15.08.23)											2 x 2 Year Options (15.08.27)
Oda	SPIRIT Energy	■	■	■	■	■	■	■	■	■	■	■	■	Firm to 01.03.22											



# Growth in Well Services - EBITDA in 2022 likely to be 2 to 3 times higher than 2018

## Growth enablers

- Key contract awards and strategic alliances
- Innovation and digitalization driving down cost and carbon footprint
- DeepWell acquisition with increased capacity
- Strong positioned within brownfield operations and growing capability for safe and effective permanent Plugging and Abandonment of wells







# ARCHER SUSTAINABILITY

## Resilient O&G offering

- Approximately 90% of Archer revenue related to the production of oil and gas, including late life and P&A
- Key supplier to long-term plugging and abandonment of wells

## Low carbon agenda

- Support clients net zero emission commitments by developing and delivering technology and services
- Minimize own carbon footprint

## Green energy

- Review and explore opportunities
- Develop long term business
- Preferred employer

Financial performance

Social & Governance foundation



# Making brownfield greener - Oiltools application in P&A

## Stronghold Defender System

Natural Barrier replacing the need for Cement Barrier

- Creeping shale qualified as a natural barrier



60 hours

100+ tons

TIME SAVINGS

CO2 EMISSION SAVINGS

## Stronghold Barricade System

Secure and efficient Plug and Abandonment of wells

- Leave tubulars in the ground
- No special waste back to surface, no transport, no waste management and disposal is required



60 hours

120 + tons

TIME SAVINGS

CO2 EMISSION SAVINGS

## THOR System

Efficient one-trip Casing Removal System

- Washing out barite to reduce resistance between casings
- No swarf handling



120 hours

240 + tons

TIME SAVINGS

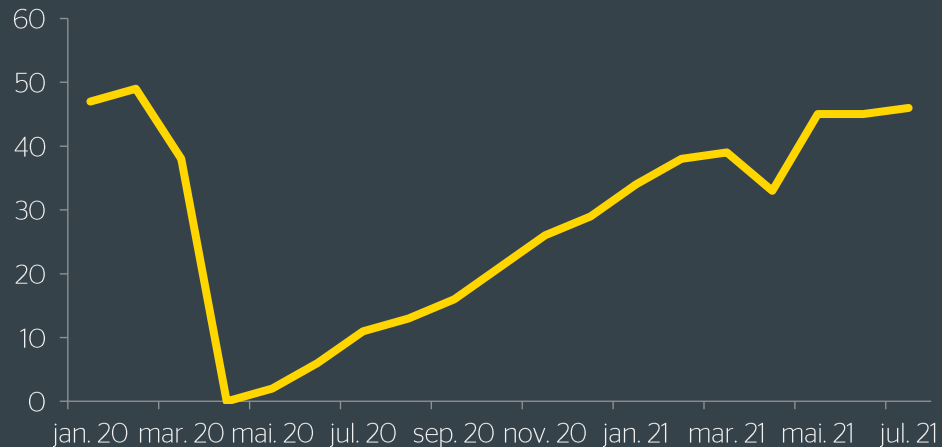
CO2 EMISSION SAVINGS



## Argentina

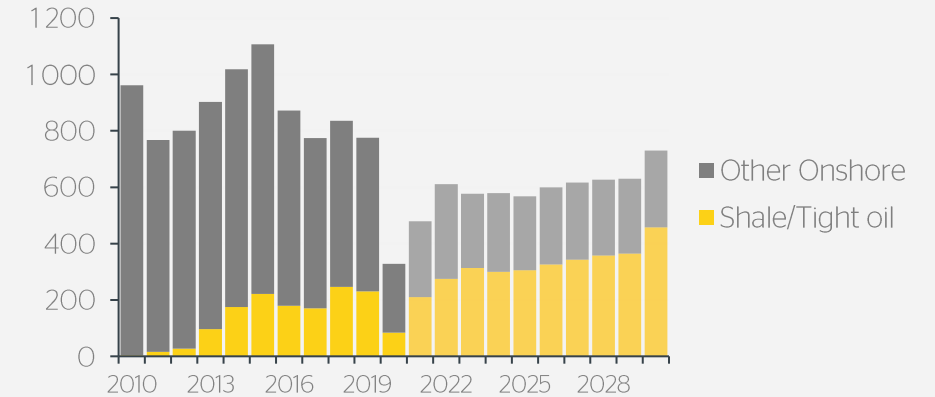
- Leading provider of land drilling and workover services in Latin America
- Short term outlook remain uncertain, but signs that more activity could materialize in 2022
- Strong market position in Vaca Muerta

## Argentina drilling rig count

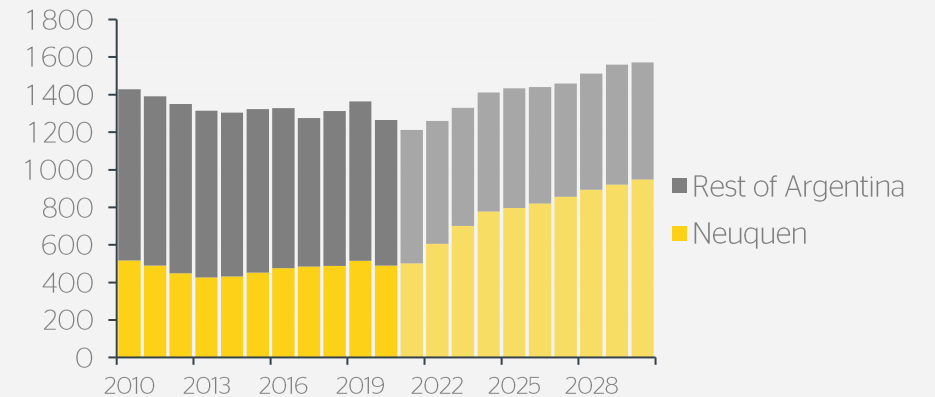


\*Baker Hughes rig count

## Argentina - wells drilled per year



## Argentina - production (kbbbl/d)



Source: Rystad Energy



## Takeaways

Resilient offering within production, P&A and decommission



Making brownfield greener through innovation and proprietary technology



Strong market position and solid backlog



Committed to development of green non-oil and gas business



Free cash generation and sufficient available liquidity





Thank you!

[archerwell.com](http://archerwell.com)