



**Archer**

**Pareto Energy Conference**

**September 11<sup>th</sup> 2024**

**Dag Skindlo**

Chief Executive Officer

**Archer**





## 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. Financials figures presented for 2024 are unaudited.

Forward-looking statements do not guarantee future performance and involve risks and uncertainties. Actual results may differ materially from projected results due to 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, 2023. 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 report 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.

## Key take aways



I

Positioned for continued growth, both organically and through M&A initiatives

II

Significant growth potential in the Plug & Abandonment market

III

Argentina policies and investment driving increased drilling activity

IV

Profitable and cash positive renewable service portfolio

V

Deleveraging to generate cash flow to equity





At a glance

# Archer

The Well Company



**\$1.2 – 1.3bn**  
2024 guided revenue



**\$134 - 140m**  
2024 guided EBITDA



**\$2.5bn**  
Contract backlog



**50 years**  
Operational experience



**40**  
Locations globally

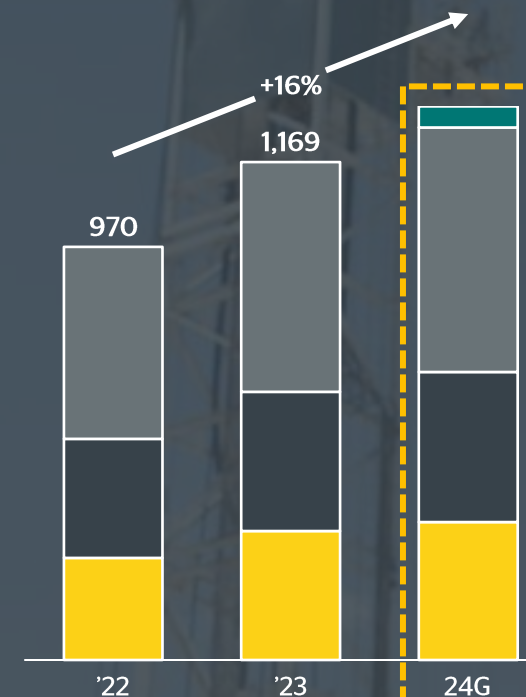


**4,900+**  
Global personnel

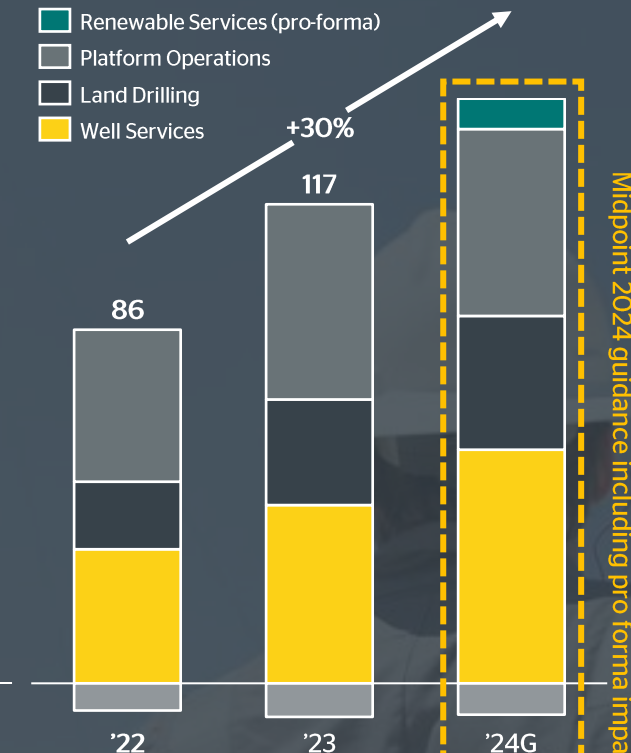


**Carbon neutral since '22**  
Scope 1 & 2 outside Argentina and Bolivia

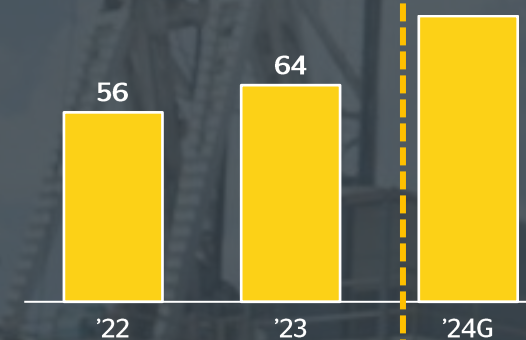
## Revenue (\$m)



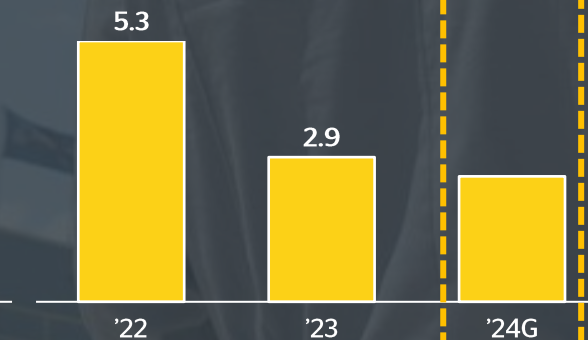
## EBITDA (\$m)



## Cash contribution (\$m)



## Deleveraging

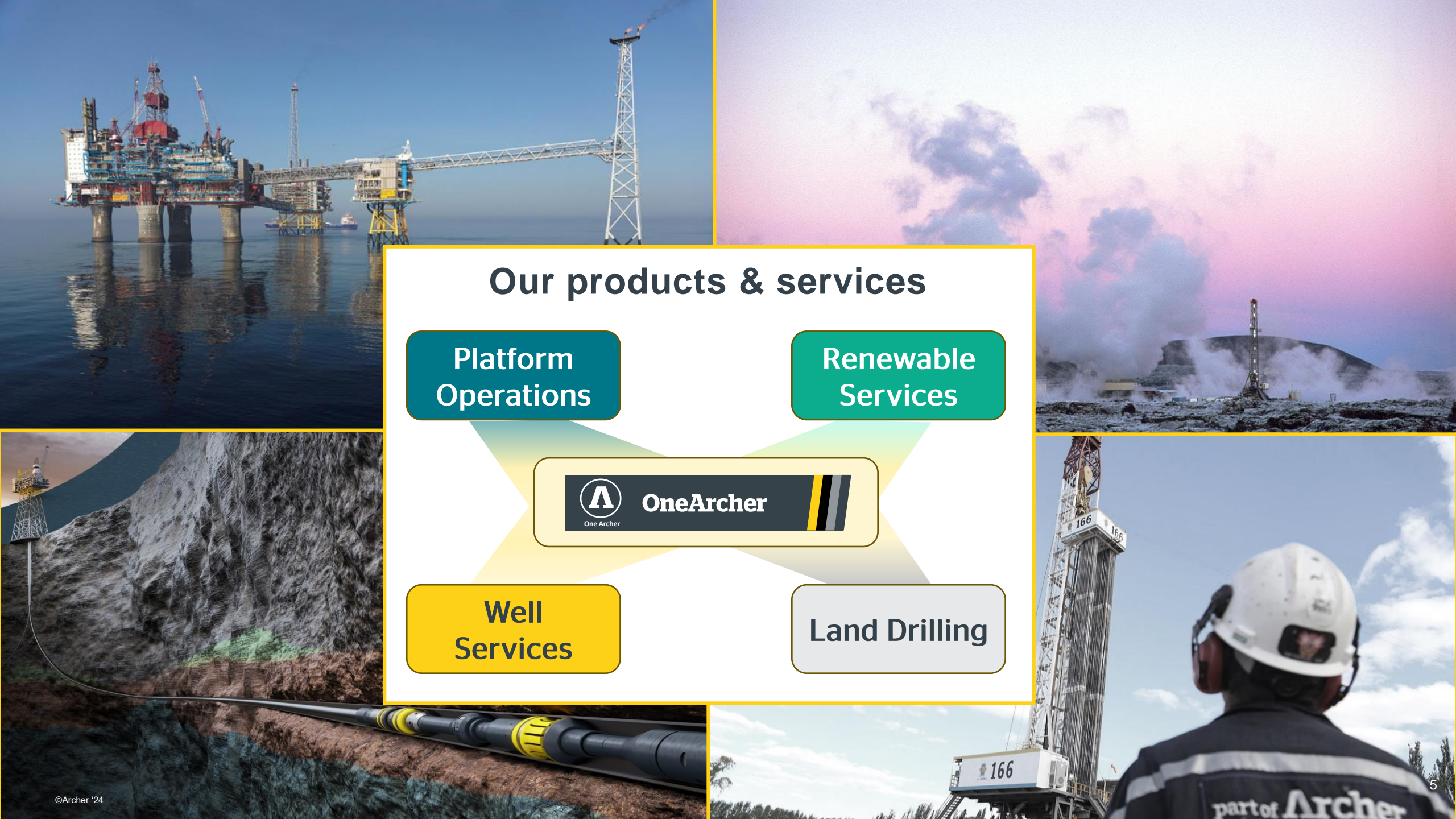


EBITDA - CAPEX

Reported NIBD/adj. EBITDA

Midpoint 2024 guidance including pro forma impact of acquisitions





# Our products & services

Platform  
Operations

Renewable  
Services



OneArcher

Well  
Services

Land Drilling

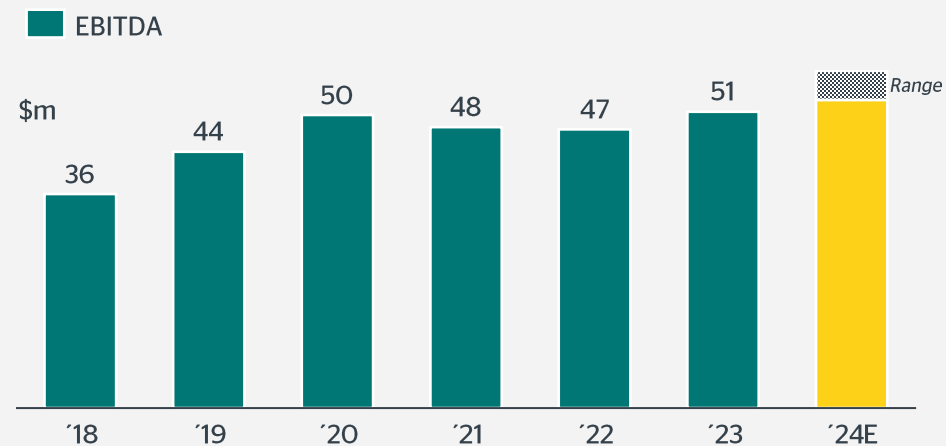


## Platform Operations: ~50% market share in the North Sea

### Platform Operations is production and late life operation

- ✓ North Sea and Brazil focused operation based on long-term contracts with operators
- ✓ Primarily exposed to production, late life and decommissioning
- ✓ Stable annual cash contribution<sup>1</sup> of about \$40m over the last years
- ✓ Estimated firm backlog of \$2.6bn (incl. options)

### Resilient EBITDA and cash flow



<sup>1</sup>) Cash contribution calculated as EBITDA - Capex  
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### Diverse service offering







## Well services: Strong organic growth combined with synergetic acquisitions

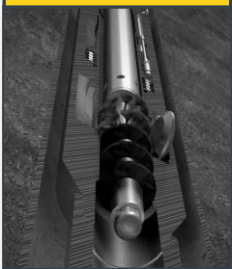
### High-end well intervention services and technology

- ✓ High-end solutions ensuring well performance to clients globally
- ✓ Leading offering within well P&A services
- ✓ Strong EBITDA growth over time
- ✓ Recent acquisitions of P&A company Romar-Abrado and UK Coil Tubing business of Baker Hughes

**Conveyance**  
Wireline and  
coiled tubing



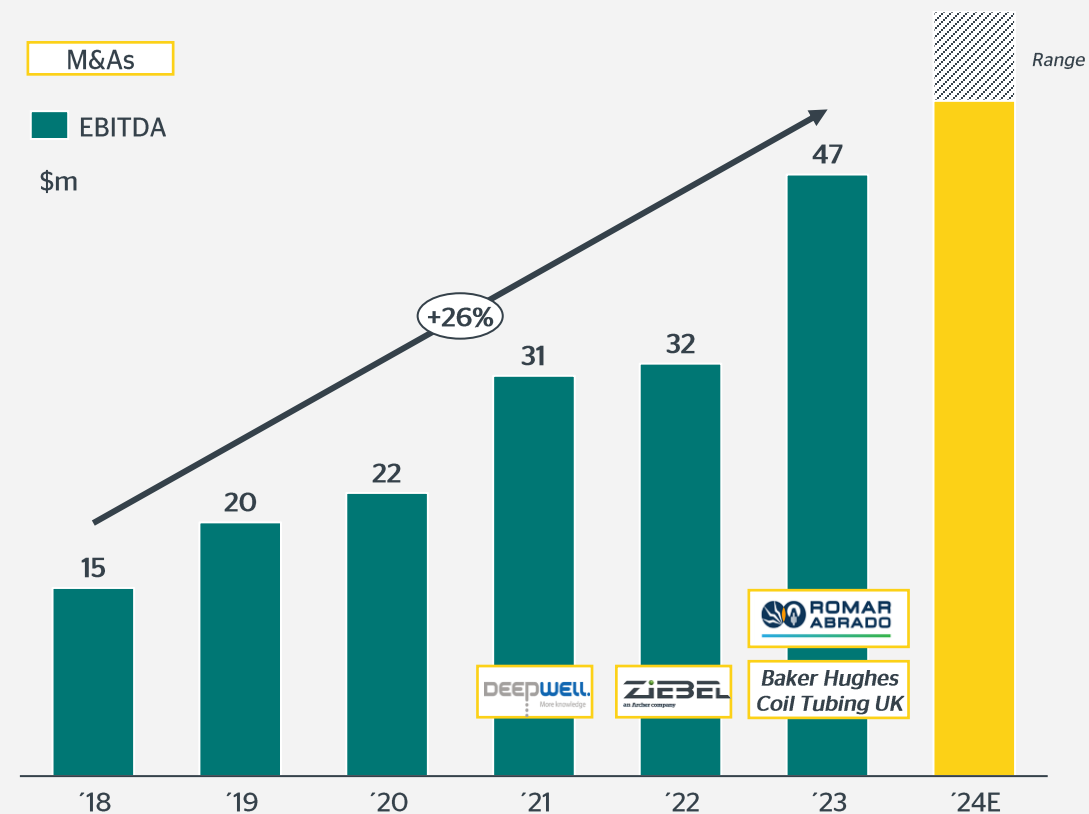
**Light and  
heavy well  
intervention**



**Well  
integrity  
and P&A**



### Strong EBITDA growth



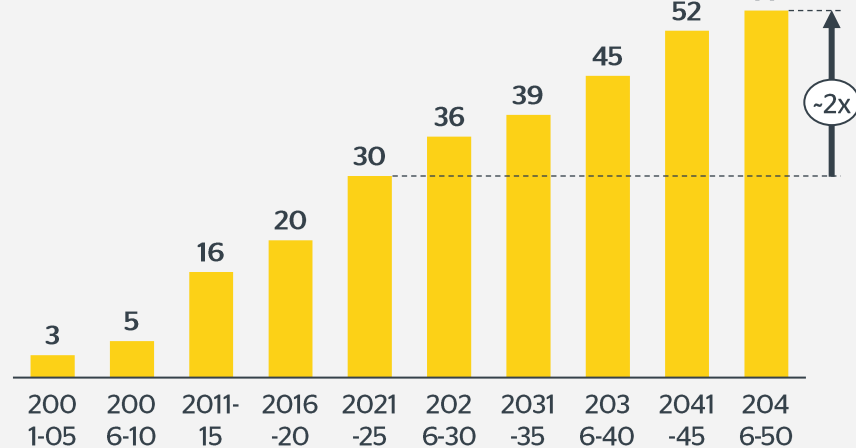


## Strong market outlook for Archer's P&A service the next 30 years

### Global offshore decommissioning market outlook (incl. P&A)

Global offshore decom. spending set to double to 2050

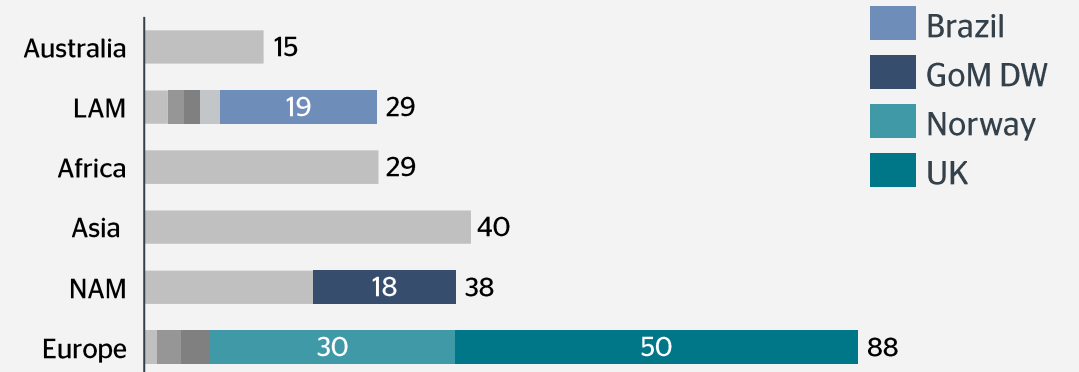
E&P abandonment costs 2001-2050, \$bn



Global offshore decom and P&A market set to grow substantially next 30 years

Total offshore decom. spend of \$240B to 2050

E&P abandonment costs 2024-2050, \$bn

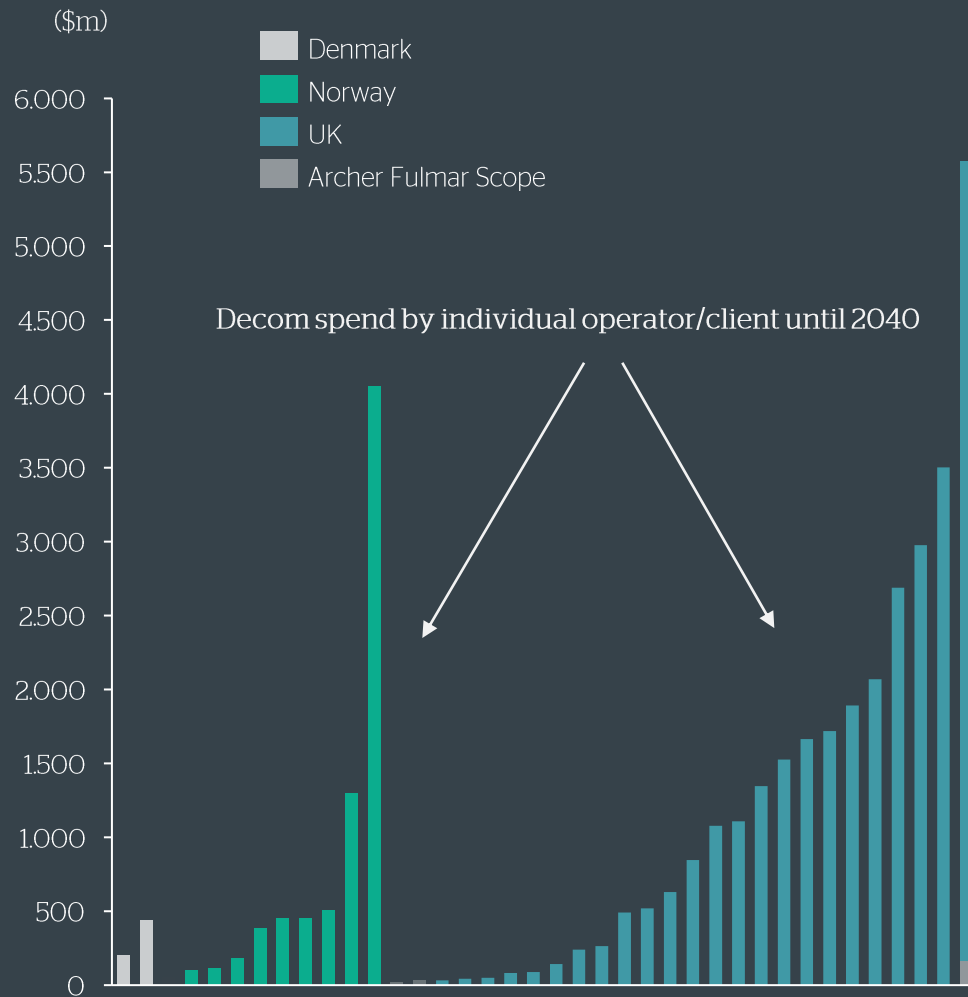


Archer core markets with the highest decom liabilities globally





## ~\$40B in North Sea decom before 2040<sup>1</sup>



1) Source: Rystad Energy

## North Sea P&A market supports long term growth

- Decom activity in the North Sea will be a strong foundation for Archer's activity and growth in the next 20-30 years
- Archer uniquely positioned for P&A and decom of wells, offering both drilling and well services
- The permanent plugging and abandonment of oil and gas wells is an essential activity to tackle global climate challenges
- The largest decom market in the North Sea is UK with an estimated ~\$30 billion in decommissioning spend to 2040. P&A and decom spend in Norway will increase past 2040.
- Fulmar represent about 5-10% of Repsol expected well P&A spend before 2040\*
- Archer engaged in several integrated P&A projects, which has potential to drive meaningful earnings growth

\*Well P&A spend constitute about 50% of decom spend

# Focus on improved production – while in transition

## Greenfield operations



Archer role:

*Development drilling - ensure wells are drilled in a safe and efficient manner*

## Brownfield operations



*Increase lifetime and output of existing well from drilling and well services*

## Energy Transition

Well P&A and decom



*Ensure wells are closed and abandoned in a safe and efficient manner*

## Renewables



*Leverage competence and experience, for use in sustainable renewable energy*



*Stable businesses*



*Stable businesses*



*Growing and increasing share of business*



*Growing and increasing share of business*

Outlook for Archer





# Land Drilling: Growing and cash positive with significant asset value

## Leading land drilling provider in Vaca Muerta

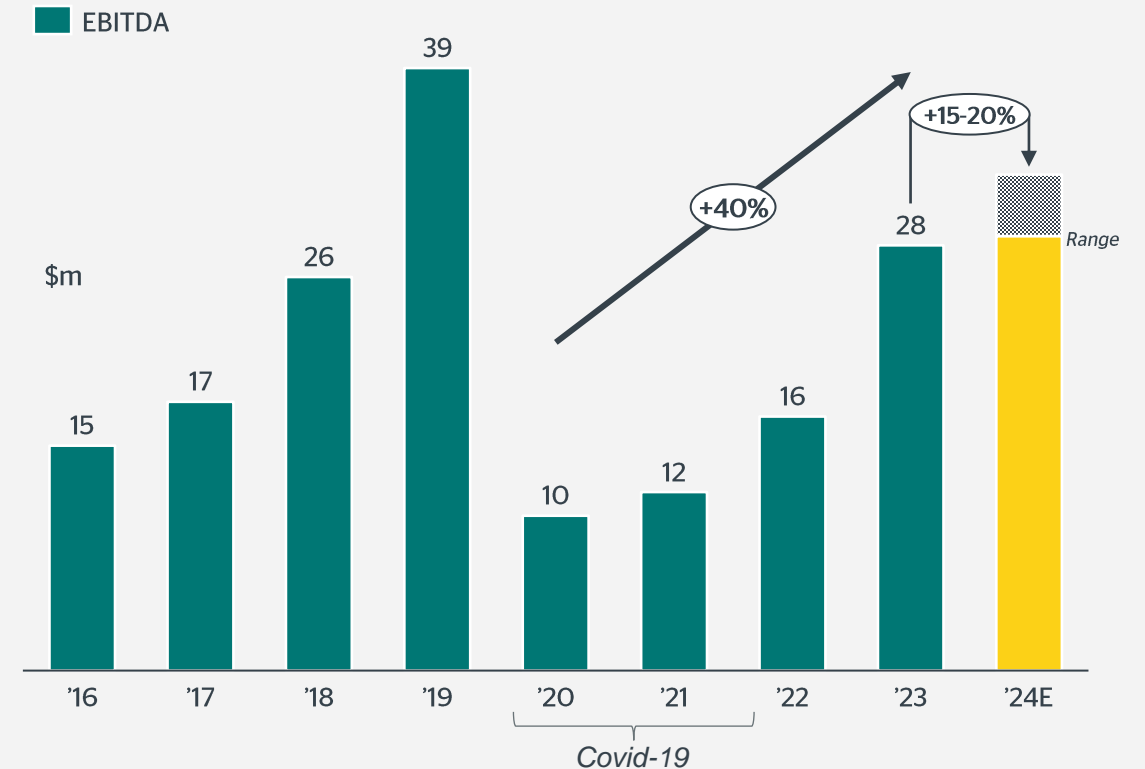
- ✓ Leading provider of land drilling and workover services in Argentina
- ✓ Self sufficient and cash positive business
- ✓ Six high-spec drilling rigs
- ✓ Market improving on the back of new legislation and infrastructure investments
- ✓ Recent acquisition of Managed Pressure Drilling services provider



Drilling rigs

Pulling/workover units

## Financial profile



More than \$70m cash repatriated since 2016 (\$5m YTD)



# Rig demand set to grow from accelerated investments in Vaca Muerta

## Significant infrastructure investments in ARG

- ✓ New legislation incentivizing project investments above USD 200m
- ✓ Several ongoing large investments in transport/export capacity expansion
- ✓ Significant FLNG projects planned
  - ARGLNG: \$30bn project for three FLNG units by YPF and Petronas (FID in 2025)
  - Golar PAE LNG: Agreement between Golar LNG and Pan American Energy to deploy FLNG vessel for a period of 20 years



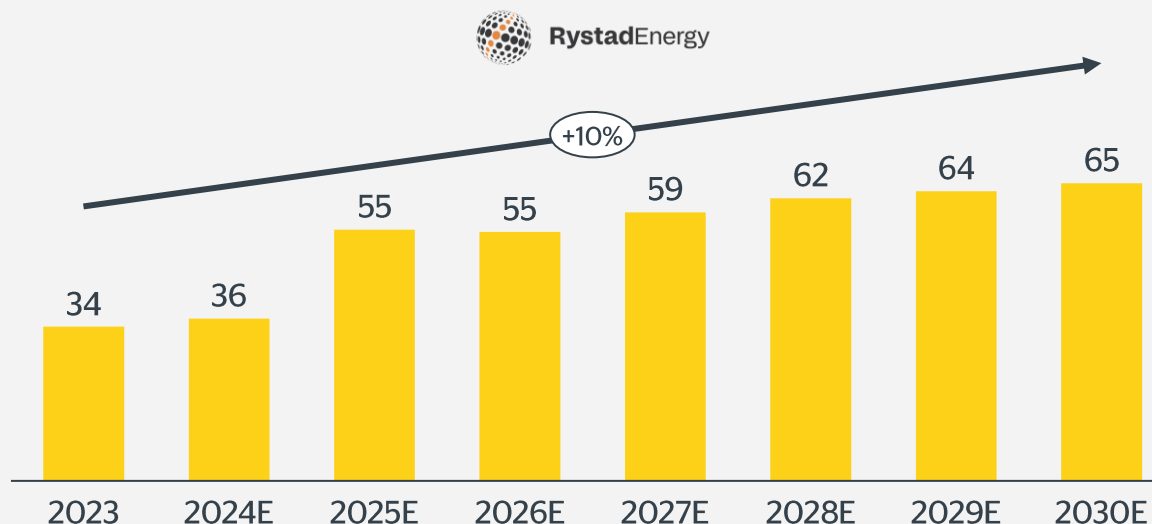
Golar FLNG Hilli

Source: Rystad Energy, LNG Prime

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## Archer set to benefit from increasing rig demand

Expected rig demand in Vaca Muerta, by Rystad (#nr of rig-years)



Large sanctioned investments to drive growth in O&G production and rig demand in Vaca Muerta going forward





# Renewable Services: Broad offering and profitable operations

## Renewable Services offering

- ✓ Exposed to key renewable segments: geothermal energy, carbon storage, wind, and hydropower
- ✓ Underlying growth in all markets expected
- ✓ Focus on scaling and developing the renewable offering for further value creation and importance
- ✓ About 5% of Archer revenue, profitable and cash positive
- ✓ Awarded wind foundation contract by TotalEnergies (Archer Wind)



### Offering:

<b>Geothermal Power</b> Deep drilling for geothermal power	<b>District Heating</b> Shallow wells for geothermal heating and cooling	<b>Carbon Storage</b> Storage wells for mineralization of COS
<b>Floating Offshore Wind</b> Floating substructures for wind turbines	<b>Windpower Services</b> Wind turbine maintenance services	<b>Hydropower Services</b> Hydropower plant maintenance services

## Key figures

2024E pro-forma\*



Revenue of USD 60-70 million



10-15% EBITDA margin



Positive cash contribution



250-300 skilled employees

*\*Pro forma of Iceland Drilling, Vertikal Service, and Archer Wind*

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