



3Q 2022 Presentation
November 11th 2022

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Standard ETC in brief

Third Quarter 2022 Highlights

Portfolio Update

Company overview

- Founded in 2010, listed on Oslo Stock Exchange under ticker SDSD
- Management owned company (>50% ownership)

Long history of cyclical asset plays

- Offshore Drilling (2010-2013): Ordered 7x JU's at Keppel later sold for a total profit of USD 220m
- Offshore Supply (2016-): Acquired 23 PSVs, so far 10 of 14 sold with profits

Portfolio

- Listed Portfolio: Dolphin Drilling (25%) and Standard Supply (53%)
- ETC Portfolio: Marketable securities and cash





Standard ETC in brief

Third Quarter 2022 Highlights

Portfolio Update

3q22 results – Profit after tax of USD 2.2m

- USD 0.3m gain from Listed Portfolio and USD 2.2m gain from ETC Portfolio
- Per end of September Listed Portfolio of USD 74m and ETC Portfolio of USD 51m

Commercial highlights

- On July 22nd Standard Supply starting trading on Euronext Growth
- On August 29th Standard ETC invested a further USD 10m in Dolphin Drilling
- On September 1st Dolphin Drilling raised USD 45m in a private placement

Subsequent events

- On October 28th Dolphin Drilling started trading on Euronext Growth
- On November 4th Standard Supply raised USD 20m in a private placement

(1) Listed Portfolio reflects Standard ETC's equity value in Standard Supply AS (STSU NO) and Dolphin Drilling (DDRIL NO) per 30.9.2022.

(2) ETC Portfolio represents other marketable securities at end of September 2022 plus the RCF to Standard Supply.

Standard ETC in brief

Third Quarter 2022 Highlights

Portfolio Update

Ownership – 31.6m shares (25%)





- Market value c. USD 40m per end of September
- Active ownership through board representation

Strategy

- Return existing fleet to work with firm backlog
- Management contracts and opportunistic growth

Market outlook

- Inflection point for moored semi’s fueled by energy security
- UK semi market nearing sold out

<p>Borgland Dolphin</p>  <p>5th gen. topside Enhanced Aker H-3 Total rebuild in 1999</p>	<p>Blackford Dolphin</p>  <p>6th gen. topside Enhanced Aker H-3 Total rebuild in 2009</p>	<p>Bideford Dolphin</p>  <p>5th gen. topside Enhanced Aker H-3 Total rebuild in 1999</p>	<p>Keppel opportunity</p>  <p>2x CS60 ECO MW Under construction</p>
<p>Harsh Environment Norway and UK</p>	<p>Harsh Environment UK + International</p>	<p>Harsh Environment Norway and UK</p>	<p>Harsh Environment Norway and UK</p>

Illustrative EBITDA and FCF sensitivity¹

Dayrate scenario	Current	Avg. 2007-2016
Int'l semisubmersible market	USD 250k	USD 355k
UK semisubmersible market	USD 200k	USD 310k
Illustrative Rig EBITDA 3 rigs	c. USD 130m	c. USD 250m
G&A	USD 17m	USD 17m
Capex (normalised)	USD 15m	USD 15m
Cash interest and taxes	-	-
Illustrative FCF	c. USD 100m	c. USD 200m

(1) Assumptions include 95% annual rig utilization, opex per day of USD 100k for int'l and USD 80k for UK, G&A of 15k/day per rig and capex (normalised) of USD 5m per rig

Ownership – 100.3m shares (53%)

- Market value c. USD 34m per end of September
- Active ownership through management- and board representation

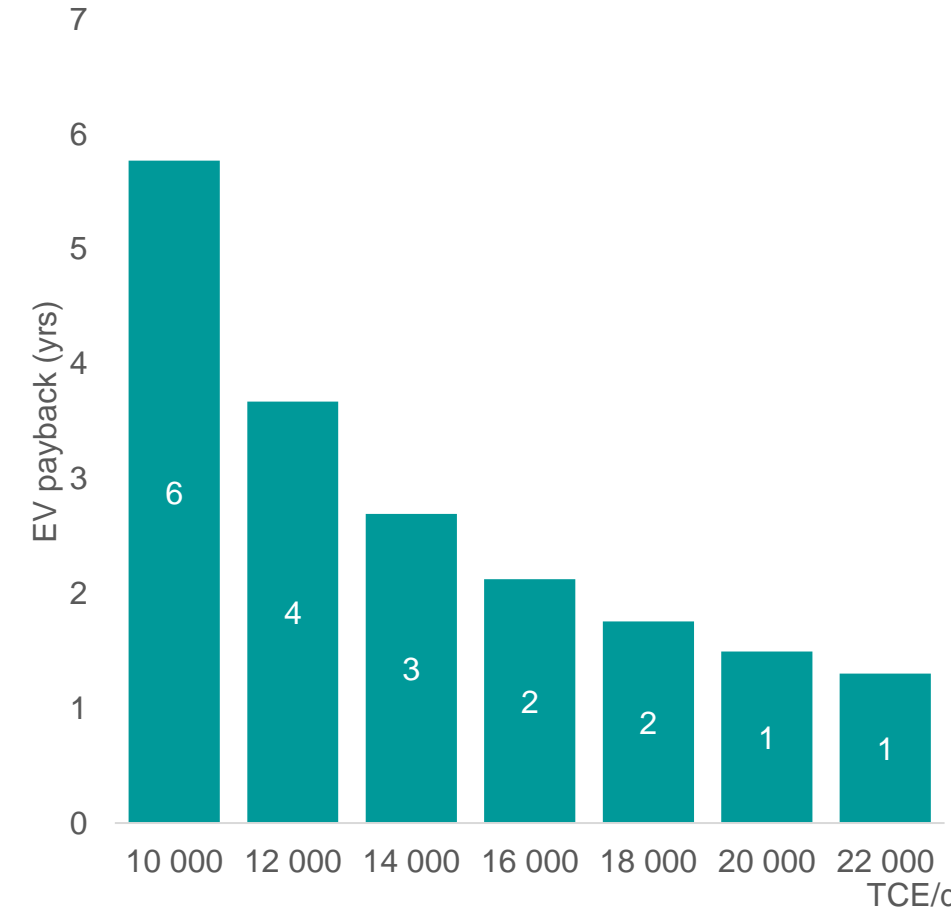
Strategy

- Low-cost platform with high North Sea spot exposure
- Clear target of returning excess cash to shareholders

Market outlook

- Significant tightening spot/ term charter rates in 2022
- Increasing rig count resulting in potential 20-30% incremental PSV demand in '23-24
- Growth opportunities with attractive payback periods (2-3 years)

Illustrative EV payback at various TCE's¹



(1) Assumptions: Standard Duke (2012) purchase price of USD 7m incl. reactivation cost. Operating expenses plus G&A of USD 6,500 per day.



	Note	Three Months Ended		Nine Months Ended	
		2022	2021	2022	2021
		Q3	Q3	Q3	Q3
		Unaudited	Unaudited	Unaudited	Unaudited
<i>(Amounts in USD 000)</i>					
Income					
Changes in fair value on financial assets at fair value through profit or loss	4.1	346	(3 086)	11 924	(2 997)
Changes in fair value on financial assets at fair value through profit or loss – held for trading	4.2	2 162	468	3 966	6 883
Dividend income on financial assets at fair value through profit or loss	5	1	-	11 305	-
Interest income from cash balance at amortised cost		418	6	482	27
Net foreign currency (losses) or gains		(246)	29	(275)	24
Total net income / (loss)		2 681	(2 583)	27 402	3 937
Expenses					
Administration and operating expenses	10	(465)	(139)	(1 324)	(424)
Total operating expenses		(465)	(139)	(1 324)	(424)
Operating profit / (loss)		2 216	(2 722)	26 078	3 513
Finance costs					
Sundry finance (expenses)/income		(12)	(5)	(47)	(7)
Profit for the period before tax		2 204	(2 727)	26 031	3 506
Income tax expense	5	-	-	(47)	-
Profit for the period after tax		2 204	(2 727)	25 984	3 506
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		2 204	(2 727)	25 984	3 506
Earnings per share					
Basic earnings per share (USD)	3	0,04	(0,01)	0,05	0,01
Diluted earnings per share (USD)	3	0,04	(0,01)	0,05	0,01

(Amounts in USD 000)

	Note	30.09.2022	31.12.2021
		<i>Unaudited</i>	<i>Audited</i>
ASSETS			
Equipment and machinery		-	1
Loan receivable from subsidiary	11.3	18 213	-
Financial assets at fair value through profit or loss	4.1	74 324	42 391
Total non-current assets		92 537	42 392
Current tax asset		-	1
Receivables and prepayments	6	2 449	380
Financial assets at fair value through profit or loss held for trading	4.2	3 689	24 784
Cash and bank balances		28 415	31 990
Total current assets		34 553	57 155
Total Assets		127 090	99 547
EQUITY AND LIABILITIES			
Ordinary shares	7	15 734	15 734
Other paid-in equity		352	-
Accumulated profits		109 554	83 570
Total equity		125 640	99 304
Trade and other payables	8	1 450	243
Total current liabilities		1 450	243
Total Equity and Liabilities		127 090	99 547

	Note	Nine Months Ended	
		2022	2021
		Q3	Q3
<i>(Amounts in USD 000)</i>			
CASH FLOWS FROM OPERATING ACTIVITIES		<i>Unaudited</i>	<i>Unaudited</i>
Profit for the period before income tax		26 031	3 506
Unrealised exchange loss/(gain)		275	(24)
Interest income		(482)	(27)
Dividend Income	5	(11 305)	-
Fair value (gain) / loss in financial assets fair value through profit or loss	4.1	(11 924)	2 997
Gains in financial assets fair value through profit or loss – held for trading	4.2	(3 966)	(6 883)
Option and share program	12	352	-
CHANGES IN WORKING CAPITAL			
Payments to acquire financial assets at fair value through profit or loss	4.1	(20 009)	(786)
Payments to financial assets at fair value through profit or loss held for trading	4.2	(48 459)	(32 971)
Receipts from financial assets at fair value through profit or loss held for trading	4.2	73 520	17 646
(Increase) in receivables and prepayments	6	(2 069)	(70)
Increase / (decrease) in trade and other payables	8	1 207	(26)
Net cash generated from / (used in) operating activities		3 171	(16 638)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends received – net of withholding tax	5	11 258	-
Interest received		482	27
Net cash generated from investing activities		11 740	27
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan granted to subsidiary company	11.3	(18 213)	-
Purchase of own shares		-	(891)
Net cash used in financing activities		(18 213)	(891)
Net decrease in cash and cash equivalents		(3 302)	(17 502)
Cash and cash equivalents at beginning of year		31 990	27 623
Effect of exchange rate changes on the balance of cash held in foreign currencies		(273)	(25)
Cash and cash equivalents at end of period		28 415	10 146