

The background image shows two workers in orange safety suits and white hard hats standing on a rusty metal platform. They are looking out over a body of water under a clear sky. The word 'Archer' is visible on the back of their suits. The overall scene is industrial and maritime.

Archer

2023 **Archer Norge AS**

ANNUAL REPORT

Table of Contents

Board of Director's Report	1
Report of Independent Auditors	6
Consolidated Statements of Operations	9
Consolidated Balance Sheet	10
Consolidated Statements of Cash Flows	11
Notes	12

Board of Director's Report

Business Overview

About Archer Norge AS and the Archer Norge Group

Archer Norge AS (the "Company") was established in 2007 and is located in Sandnes. The Company owns directly and indirectly the following subsidiaries; Archer AS (Norwegian), Archer Oiltools AS (Norwegian), Archer Consulting AS (Norwegian), Archer Poland Sp. z o.o. (Polish), Ziebel US, Inc., (American) DLS Archer Ltd. S.A. (Argentinean) and DLS Argentina Fluidos S.A. (Argentinean) (the "Subsidiaries"). The Company together with the Subsidiaries constitute the basis for the consolidated financial statement herein (the "Archer Norge Group").

The Archer Norge Group is part of the wider Archer group, which is constituted by Archer Limited and its direct and indirect subsidiaries. Archer Limited, along with its subsidiaries ("Archer"), is a global services provider with a heritage in drilling and well services that stretches back over 50 years.

The Archer Norge Group offers services within platform operations, land drilling and well services. The platform operation services performed by the Archer Norge Group includes platform drilling and engineering. The land drilling services include drilling rigs, pullover units and workover units, while the well services include oiltools and wireline.

Further information about the services provided by the Archer, and the Archer financials, can be found in the annual report (the "Archer Annual Report") available on the Archer webpage; www.Archerwell.com.

Outlook

The outlook for the Archer Norge Group is aligned to that of Archer. The Archer expects global energy consumption to continue to increase, with oil and gas remaining an important part of the energy mix as the global energy transition evolves. Offshore and onshore reserves will be vital for future energy supply and support demand for Archer Norge Group's service offerings globally. With stable oil and gas prices, The Company sees operators slowly adjusting the activity and the demand for the Archer Norge Group's services. The Archer Norge Group's main activity remains within the brownfield portion of the oil and gas value chain, which is less volatile than the greenfield developments.

Strategy

The strategy for the Archer Norge Group is aligned to that of Archer. The strategy of Archer is to deliver better wells and to be the "supplier of choice" for drilling services, well integrity, well interventions as well as plug and abandonments. The Archer Norge Group aims to achieve this by continuously improving its services and product quality and by utilising people who demonstrate the values of the Archer Norge Group and deliver excellence. This approach enables the Archer Norge Group to further broaden its reach, both geographically and technically, and it can be the foundation to secure longer term profitable growth.

We are committed to contributing to the ongoing energy transition. Through continuous development of new technologies and services we will reduce our energy consumption as a key partner in our clients' low carbon agendas. Our strategic direction for all business units and cross divisional activities is to focus on supporting and developing our low carbon agenda, resilient oil and gas offering - particularly within the growing P&A market and renewables and transition.

Other events

The Refinancing

In March 2023, Archer announced that it had reached an agreement in principle with its secured lenders and other stakeholders regarding a contemplated refinancing solution for the Group (the "Refinancing"). The Refinancing consisted of a Private Placement, a First Lien Facility, a Second Lien Bonds, the conversion of the related party subordinated loan and the full repayment of the multicurrency term and revolving credit facility.

a) First Lien Facility

In April 2023, Archer AS, Archer Norge AS and Archer Assets (UK) Ltd., entered into a new First Lien Loan Facility in relation to a \$260 million multicurrency facility agreement (the “First Lien Facility”) consisting of:

- A \$150 million multicurrency term loan facility
- A \$100 million multicurrency revolving credit facility
- A \$10 million multicurrency guarantee facility

The First Lien Facility have a tenor of 4 years with an interest rate consisting of the Secured Overnight Financing Rate, or “SOFR” + a margin of between 300 – 550 basis points, depending on the leverage ratio. The guarantee facility was used towards issuance of letters of credit, including the refinancing of existing letters of credit. See note 13 for further details on the First Lien Facility.

b) Second Lien Bond

In April 2023, Archer Norge AS issued \$200 million Second Lien Bonds with a tenor of 4.25 years. Archer can elect an interest rate on the bonds of either (i) (5.00%+SOFR) in cash interest + 5% payment-in-kind interest, or (ii) 12%+ SOFR in payment-in-kind interest. Where the payment-in-kind interest is settled by issuing additional bonds to the bondholders. The Second Lien Bond Issue was fully back-stopped by back-stop participants who have agreed to subscribe for such Second Lien Bonds that are not subscribed for by other investors in the public marketing of the Second Lien Bonds. As consideration for the backstop commitment, the backstop providers received a fee of \$20 million. This fee was settled through the issuance of 208 million shares to the underwriters.

Further information about the Refinancing, including the Private Placement and Subsequent Offering, are available on our webpage.

Subsequent Events

In March 2024, Archer Norge AS's subsidiary Archer AS was awarded a 4-year platform drilling contract extension for the operation of nine installations in the North Sea for Equinor.

In March 2024, Archer Norge AS agreed to acquire 65% of the shares in Vertikal Service AS, a Norwegian based energy service company.

Financial Review

Financial results

Revenue for the year ended December 31, 2023 was NOK 8,122.2 million or 19% higher than the revenue in 2022 following increased activity levels in the Archer Norge Group. Total expenses, including reimbursable expenses and depreciation for the year ended December 31, 2023 amounted to NOK 7,411.7 million, an increase of 14% compared to the year ended December 31, 2022.

The operating income was NOK 710.5 million in 2023, compared to NOK 280.0 in 2022. The improvement in our net income is driven by higher activity in our business.

Net financial cost amounted to NOK 631.8 million in 2023, compared to NOK 188.4 million in 2022, driven by the general higher interest levels and the increased borrowing cost following the refinancing during 2023.

The net income for 2023 amounted to 50.1 million, compared to 47.1 million in 2022.

The board proposes the following allocation of the year's profit:

- Transferred to other equity NOK 50.1 million
- Total allocated in 2023 NOK 50.1 million

Balance sheet

Our total current assets were NOK 2,405.9 million at December 31, 2023, an increase of 2% compared to NOK 2,350.6 million at December 31, 2022. Our trade receivable increased by 13% reflecting an increase in business activity. Total Cash and bank deposits totalled NOK 315.1 million at the end of 2023, compared to NOK 512.8 million at the end of 2022, driven by repayment of funds drawn under our revolving facility and the establishment of a cash pool solution including an overdraft facility.

As of December 31, 2023, our total assets amounted to NOK 6,455.3 million, compared to NOK 5,166.0 million at December 31, 2022.

Our total current liabilities were NOK 2,044.8 million at December 31, 2023 compared to NOK 1,565.7 million at 31 December 2022, a reduction of 479.1 million. The reduction is explained by the classification of the main credit facilities as long term debt following the Refinancing during 2023.

Our total non-current liabilities were 4,313.5 million at December 31, 2023 and consisted primarily of the First and Second Lien debt.

Cash flows

The following table summarises our cash flows from operating, investing and financing activities for the years ended December 31, 2023 and 2022.

Summary of cash flows

In NOK millions	2023	2022
Net cash provided by operating activities	14.8	91.4
Net cash used in investing activities	(607.6)	(305.3)
Net cash provided by/(used in) financing activities	393.5	293.6
Cash and cash equivalents, including restricted cash at the beginning of the year	512.8	375.2
Cash and cash equivalents, including restricted cash, at the end of the year	315.1	512.8

Cash flow from operating activities decreased in 2023, compared to 2022 resulting from increase in our net working capital.

Cash outflow from investing activities totalled 607.6 million in 2023 compared to 305.3 million in 2022.

In 2023 cash inflow by financing activities amounted to 435.1million, which was the result from a reduction in net drawing following the refinancing in 2023.

Health, Safety and Environmental

The approach towards HSE for the Archer Norge Group is aligned to that of Archer. Archer's HSE philosophy is to establish and maintain an incident-free workplace where accidents, injuries or losses do not occur. Safety is one of our key values. The value is embedded in the way we work in compliance with our procedures, with the authority to 'stop work' if safety is compromised, planning before we act, evaluating performance to ensure we improve, and maintaining a positive working environment.

The main element in the Archer 2023 HSE plan has been the further follow-up of the Archer safety culture program; The big 5 & the broken window. Via different initiatives during the year, Archer reinforced the message in these two programs. The Big 5 is an Archer initiated safety culture program, the focus for the program is the personal motivation each of us must stay incident free. The main theme is to stay incident free so that we can go back home and do what we love the most. The Big 5, are each employee's most important reasons to stay safe at work. The question we ask is, how will a serious injury impact your life and your Big 5.

For the Archer Norge Group, the number of accidents at work that led to absence amounted to 0.15 per 200,000 man-hours in 2023, compared to 0.09 in 2022. In total there were 5 reportable injuries in 2023, of which 5 were absenteeism injuries compared to 3 in 2022.

Absenteeism

Average sickness absence varies between companies from 0.14% to 4.78%. There is lower sickness absence where the employees have the option of a home office due to work tasks and where there are geographical differences.

Sustainability

The Archer Norge Group's approach to sustainability is aligned to that of Archer. Archer publishes its Environmental, Social, Governance report ("ESG") in parallel with its Annual Report. The ESG report has been prepared in accordance with the framework established by the Sustainability Accounting Standards Board (SASB) for Oil and Gas Services. This report allows us to identify, manage and report on material ESG factors specific to our Industry. The report is published to provide investors, banks and other stakeholders with easy access to extra-financial information. More information is available in the ESG 2023 report on Archer's homepage, please visit <https://www.archerwell.com/sustainability/>.

Social Governance

The offshore oil and gas industry has traditionally been male dominated. Of the company's 2,689 employees as of 31 December 2023 are 7 per cent women and 93 per cent men. The company has a goal of increasing the proportion of women among its employees. Both the board and the Company's management are aware of societal expectations for measures to promote equality in the business and the board. The Company and its Subsidiaries uses various schemes to retain and promote employees of both sexes. Such arrangements are flexible working hours, the possibility of part-time work, redeployment and less physical work during pregnancy, liberal maternity leaves. Equality is an important part of the employment process. The purpose of the Discrimination Act is to promote equality, ensure equal opportunities and rights and to prevent discrimination on grounds of gender, pregnancy, leave at birth or adoption, care duties, ethnicity, religion, outlook on life, functional impairment, sexual orientation, gender identity and gender expression and combinations of these bases. The Company and its Subsidiaries works actively, purposefully, and according to plan to promote the law's purpose within the business. The Company's and its Subsidiaries' objectives, measures and results are dealt with in more detail in Archer Annual Report, available on the webpage.

Transparency act

Archer respects and acknowledges the principles of fundamental human rights and decent working conditions as defined in the Norwegian Transparency Act ("NTA"). Archer Norge AS's assessments in accordance with the requirements of the NTA for 2024 will be made available on the Company's website when it is approved prior to June 30, 2024, in compliance with the requirements of the NTA. The 2023 assessment is available on our website.

Risk factors

Financial Risk

The Archer Norge Group is exposed to various financial risk factors, such as credit risk, interest rate risk and currency risk in its ordinary business activities. The Archer Norge Group's revenue is largely generated in Norwegian kroner and Argentinean Pesos, while its interest-bearing debt is predominantly denominated in US dollars. Furthermore, the interest rate is a floating interest rate and is therefore exposed to interest rate fluctuations. In 2023, the group refinanced its loans and raised capital. The board assumes that the Archer Norge Group will be able to obtain liquidity from the Archer Group if necessary. The Company is one of several guarantors under the overall financing arrangement provided to the Archer group, hereunder the First Lien Debt. The shares in Archer Norge AS are pledged, as well as all shares in the subsidiaries Archer Oiltools AS, Archer AS and DLS Archer S.A. in favor of the bank.

Both the First and Second Lien Bond's issued by Archer Norge AS and other group companies, are securing the overall financing of the Archer Group. Both the First Lien Debt and the Second Lien Debt are issued to Archer Norge AS, but the covenants agreed under both these financing arrangements are on the Archer Group's financial performance, and hence, the failure by the Archer Group to meet the financial covenants, could have a significant adverse effect on the Archer Norge Group.

Operational Risk

The Archer Norge Group's results are dependent on conditions applicable to the oil and gas industry, including the oil companies' demand for drilling and well services for exploration and production. The subsidiaries are exposed to operational risk linked to the drilling of oil and gas wells. Operations may also be delayed as a result of abnormal drilling conditions, repair of equipment or failure in deliveries of goods or services from subcontractors. The Archer Norge Group primarily supplies services to the oil and gas industry, and the ongoing energy transition may limit activity in these areas in the future. In the long term, our ability to effectively manage the energy transition, which will require adaptation of our technology, will be affected.

The Archer Norge Group's land drilling subsidiaries provides drilling and workover services to operators in Argentina, and these operations account for a significant portion of the Archer Norge Group's total revenues. Argentina's has in the past defaulted on its sovereign debt, and from time-to-time imposed capital restrictions, both leading to a challenging situation for the oil and gas sector in the country, including the oil service industry. How the government of Argentina invests in the energy sector, makes changes to employment and labour legislation, and formulates policy around taxation, currency control and exchange, national debt repayment and commodity pricing could all have a significant effect on the Archer Norge Group's business in Argentina.

Market Risk

The Archer Norge Group's business depends on the level of activity of oil and gas exploration, development, production, and decommissioning in the North Sea and internationally, and in particular, the level of exploration, development, production, and decommissioning expenditures of the Archer Norge Group's customers. The demand for the Group's drilling and well services is adversely affected by declines in exploration, development and production activity associated with depressed oil and natural gas prices. Historically, oil and gas prices have been highly volatile and subject to large fluctuations in response to relatively minor changes in the supply of and demand for oil and gas, market uncertainty and a variety of other economic and political factors, as seen in connection with the COVID-19 pandemic and the war in Ukraine.

Please refer to the Archer Group financial report for 2023 for additional risk factors that are relevant for the Archer Norge Group.

Going Concern

The Board of Directors confirms their assumption of the Group as a going concern for the foreseeable future, [being a period of not less than 12 months from the date of this report]. This assumption is based on the liquidity position of the Archer Group in general and the Archer Norge Group in particular, forecasted operating results for the Archer Group in general and the Archer Norge Group in particular, the debt maturity being extended to 2027 following the refinancing in 2023, and the market outlook for the energy service sector as at December 31, 2023. The Board believes the annual report provides a fair presentation of the Group's assets and debt, financial position and financial performance.

Sandnes April 26, 2024

The Board of Archer Norge AS

Espen Joranger
(Director/Managing Director)

Joachim Houeland
(Chairman)

Einar Aage Vae
(Director)

Report of Independent Auditors



To the General Meeting of Archer Norge AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Archer Norge AS, which comprise:

- the financial statements of the parent company Archer Norge AS (the Company), which comprise the balance sheet as at 31 December 2023, the statements of operations and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Archer Norge AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2023, the statements of operations and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.



Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Stavanger, 26 April 2024

PricewaterhouseCoopers AS

A handwritten signature in blue ink, appearing to read "Roy Heggelund", written over a light blue circular stamp.

Roy Henrik Heggelund
State Authorised Public Accountant

Consolidated Statements of Operations

Archer Norge AS		(In NOK millions)		Archer Norge Group	
2023	2022		Note	2023	2022
Revenues					
787.9	655.9	Operating revenues	3	6,296.2	5,423.1
-	-	Reimbursable revenues		1,796.5	1,334.5
-	-	Other operating income		29.5	33.5
787.9	655.9	Total Revenues	2	8,122.2	6,791.1
Expenses					
479.7	401.4	Employee benefits expense	4	3,309.4	2,918.4
		Cost of goods	5	790.1	579.5
-	-	Reimbursable expenses		1,664.4	1,231.4
15.0	17.0	Depreciation and amortisation	8	144.6	168.8
-	-	Impairment charges	8	1.7	-
259.4	224.7	Other operating expenses	3,4	1,391.8	1,613.1
754.1	643.1	Total Expenses		7,411.7	6,511.2
33.7	12.8	Operating Income		710.5	280.0
Financial items					
212.1	38.9	Interest income	3	244.9	27.4
(597.8)	(217.9)	Interest expenses	3	(610.8)	(263.3)
(100.4)	-	Impairment financial items	9,10	-	220.9
(51.1)	(13.9)	Share of results in associated companies	9	(51.1)	(13.9)
30.1	(99.2)	Other financial items	6	(214.8)	(159.4)
(323.3)	(283.6)	Total Financial items		(631.8)	(188.4)
(289.6)	(225.8)	(Loss) / Income from continuing operations before taxes		78.7	91.5
(30.2)	(40.5)	Income tax expense	7	28.6	44.4
(259.4)	(185.4)	(Loss) / Income from continuing operations		50.1	47.1
(259.4)	(185.4)	Net (Loss) / Income		50.1	47.1

See accompanying notes that are an integral part of these Consolidated Financial Statements.

Consolidated Balance Sheet

Archer Norge AS		(In NOK millions)	Note	Archer Norge Group	
Dec. 31, 2023	Dec. 31, 2022			Dec. 31, 2023	Dec. 31, 2022
-	-	Concessions, patents, licences, etc.	8	13.2	21.8
95.6	65.4	Deferred tax asset	7	176.0	194.1
131.2	41.8	Property plant and equipment, net	8	1,241.0	1,026.2
2,488.9	2,459.7	Investments in subsidiaries	9	-	-
2,912.0	1,968.0	Loans to related parties long term	10	2,432.1	1,436.0
121.1	109.7	Investments in associated companies	9	121.1	109.7
46.1	27.5	Other receivables		66.2	27.6
5,794.8	4,671.0	Total Fixed Assets		4,049.4	2,815.3
-	-	Inventories	5	406.2	255.7
1.1	1.0	Trade receivables		912.3	832.8
668.2	419.6	Other receivables related parties	10	552.1	473.1
58.1	35.5	Other receivables	15	220.3	276.1
225.4	66.4	Cash and bank deposits	11	315.1	512.8
952.8	522.5	Total Current Assets		2,405.9	2,350.6
6,747.7	5,193.5	Total Assets		6,455.3	5,166.0
1,168.9	1,068.9	Share capital		1,168.9	1,068.9
1,148.0	848.0	Share premium		1,148.0	848.0
19.0	18.5	Other paid-in equity		19.0	18.5
(783.4)	(524.0)	Other equity		(2,238.9)	(2,295.9)
1,552.4	1,411.3	Total Equity	12	97.0	(360.6)
4,139.1	1,484.1	Liabilities to financial institutions	13	4,198.3	1,514.1
23.5	1,940.8	Liabilities to related parties long term	10	23.5	2,367.2
-	-	Other non-current liabilities		91.8	79.7
4,162.6	3,424.9	Total Non-current Liabilities		4,313.5	3,960.9
672.8	158.1	Liabilities to related parties	10	271.8	166.1
116.5	67.1	Trade creditors		649.5	350.4
-	13.8	Tax payable	7	-	13.8
73.2	59.8	Public duties payable		480.7	411.1
170.3	58.6	Other current liabilities	16	642.8	624.2
1,032.7	357.3	Total Current Liabilities		2,044.8	1,565.7
6,747.7	5,193.5	Total Equity and Liabilities		6,455.3	5,166.0

See accompanying notes that are an integral part of these Consolidated Financial Statements.

The Board of Archer Norge AS,
Sandnes April 26, 2024

Espen Joranger
(Director/Managing Director)

Joachim Houeland
(Chairman)

Einar Aage Vae
(Director)

Consolidated Statements of Cash Flows

Archer Norge AS		(In NOK Millions)		Archer Norge Group	
2023	2022			2023	2022
(289.6)	(225.8)	Net (loss)/profit from continuing operations		78.7	91.5
(13.8)	0.0	Taxes paid	7	(21.9)	(24.4)
-	-	Adjustment to reconcile net loss to net cash provided by operating activities		-	-
15.0	17.0	Depreciation and amortisation	8	182.4	179.6
100.4	-	Impairment of fixed assets	8,10	1.7	(220.9)
0.5	1.6	Share-based compensation expenses		0.5	2.0
-	-	(Gain)/loss on assets disposals		(28.2)	1.3
(182.9)	(39.6)	Group contribution recognized as income		-	-
51.1	13.9	Share of losses of unconsolidated affiliates	9	51.1	13.9
(7.1)	7.3	Amortisation of loan fees	6	(7.1)	7.3
(100.3)	-	Increase in accounts receivable and other current assets		(168.9)	(246.3)
-	-	Decrease in inventories		(149.1)	(30.1)
49.4	39.0	Increase in accounts payable		411.9	59.9
(368.0)	34.5	Change in other operating assets and liabilities net, Including non-cash fx effects		(343.6)	255.4
(738.2)	(73.0)	Net Cash Provided by operating activities		14.8	91.4
-	(83.1)	Purchase of shares and investments in other companies		-	(83.1)
(104.4)	(14.8)	Proceeds from asset disposals	8	(323.0)	(116.0)
(528.1)	-	Funding group companies	10	-	-
251.2	309.6	Net borrowings/repayments in cash pool		(235.2)	-
(49.4)	(10.2)	Investment in associated entities	9	(49.4)	(106.3)
(430.7)	384.7	Net Cash used by Investing Activities		(607.6)	(305.3)
2,731.5	(275.3)	Borrowings under revolving facilities, other long-term debt and financial leases		2,734.8	(117.4)
(2,002.6)	(220.2)	Repayment of loans group companies	10	(2,820.7)	(60.5)
200.0	-	Group contribution received		-	-
-	-	Repayment of long term loans		79.5	182.1
-	-	Net borrowings/repayments in cash pool		-	289.2
400.0	-	New equity received	12	400.0	-
1,328.9	(495.5)	Net Cash Provided by Financing Activities		393.5	293.6
-	-	Effect of exchange rate changes on cash and cash equivalents		1.5	2.6
160.1	(183.8)	Net Increase in Cash and Cash Equivalents		(197.8)	82.3
66.4	250.2	Cash and cash equivalents at beginning of the period		512.8	375.2
-	-	Business acquisitions net of cash acquired		-	55.4
226.5	66.4	Cash and Cash Equivalents at the end of the Period	11	315.1	512.8

See accompanying notes that are an integral part of these Consolidated Financial Statements.

Notes

Note 1 Accounting Policies

Note 2 Revenue

Note 3 Related party transactions

Note 4 Wages, remunerations and pensions

Note 5 Inventories

Note 6 Other Financial Items

Note 7 Income Taxes

Note 8 Property Plant and Equipment

Note 9 Subsidiaries and other long-term investments

Note 10 Related Party Balances

Note 11 Cash and Cash Equivalents

Note 12 Shareholders and Equity

Note 13 Guarantees, pledges, etc.

Note 14 Subsequent Events

Note 15 Other Short Term Receivables

Note 16 Other Current Liabilities

Note 1 Accounting Policies

General information

Archer Norge AS is a Norwegian company, which is part of the wider Archer group (the "Archer Ltd. Group"). Archer Norge AS and its subsidiaries (the "Archer Norge Group") is an international energy service group, providing a variety of oilfield products and services. Services include Platform Operations, Well Services and Land Drilling.

The Archer Norge Group operates primarily in Norway and Argentina, while the Archer Group also have operations in UK, Asia, Oceania, Eastern Europe, North America, the Middle East and Africa.

The Statutory accounts have been prepared in accordance with the Accounting Act and good accounting practice.

Classification and assessment of balance sheet items

Current assets and short-term liabilities include items due for payment within one year. Other items are classified as fixed assets/long-term liabilities. Current assets are valued at the lower of acquisition cost and fair value. Short-term liabilities are entered in the balance sheet at the nominal amount at the time of establishment. Fixed assets are valued at acquisition cost but written down to fair value if the decline in value is not expected to be temporary. Long-term debt is entered in the balance sheet at the nominal amount at the time of establishment.

Accounting of income

The majority of the company's income is based on daily rates from drilling contracts or other service contracts.

Revenue is recognized in the period in which the service is performed.

Operating assets

Operating assets are depreciated on a straight-line basis over the operating assets' economic life.

Accounts receivable and other receivables

Accounts receivable and other receivables are assessed at net value after deductions for foreseeable losses.

Investments in subsidiaries

Investments in subsidiaries are assessed according to the cost method in the company accounts. The investments are valued at acquisition cost for the shares unless a write-down has been necessary. A write-down has been made to fair value when the decline in value is due to reasons that cannot be assumed to be temporary, and it must be considered necessary according to good accounting practice. Write-downs are reversed when the basis for write-down is no longer present.

Investment in jointly controlled business

Jointly controlled operations are defined as companies where the group has joint control with another party. Jointly controlled business exists with a 50/50 ownership share or if it is otherwise regulated that the parties have joint control. Investments in jointly controlled operations are accounted for using the equity method.

Foreign currency

The company has parts of its income and costs in currencies other than NOK. Income and costs in foreign currency are booked at the exchange rate on the day of the transaction. Balance sheet items in foreign currency are converted at the exchange rate on the balance sheet date.

Pension

The company has a defined contribution pension scheme which is expensed on an ongoing basis.

Tax

The tax cost consists of payable tax and changes in deferred tax on the company's assets and liabilities. Deferred tax benefit and deferred tax are based on temporary differences that arise between accounting value, tax value and loss carried forward. Deferred tax benefits are taken into account if it is likely that the benefit will be used.

Cash flow statement

The cash flow statement has been prepared using the indirect method.

Note 2 Revenue

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2023	2022		2023	2022
787.9	655.9	Revenue	6,296.2	5,423.1
-	-	Other operating income	29.5	33.5
-	-	Reimbursable Income	1,796.5	1,334.5
787.9	655.9	Total revenue	8,122.2	6,791.1
Segments				
-	-	Platform operations	5,076.7	4,144.4
-	-	Well Services	1,664.2	1,600.2
-	-	Land Drilling	1,287.6	986.5
787.0	655.9	Headquarter services	-	-
0.9	-	Other revenue	93.8	-
787.9	655.9	Total revenue	8,122.2	6,791.1
Geographical areas				
705.6	92.5	Norway	6,530.5	5,443.0
13.2	9.7	Argentina	1,287.6	986.5
47.5	35.0	UK	92.6	137.7
3.8	7.7	Middle East	112.9	95.1
15.6	9.2	America	74.0	66.8
1.2	0.9	Poland	24.5	1.6
1.0	0.9	Other	-	-
787.9	655.9	Total revenue	8,122.2	6,791.1

Note 3 Related party transactions

Archer Norge AS (parent company) has the following related party transactions:

Related party to Archer Norge AS

Revenue	(In NOK millions)	2023	2022
Archer AS	Part of Archer Ltd group	618.3	513.9
Archer Oiltools AS	Part of Archer Ltd group	81.0	66.9
Archer (UK) Ltd	Part of Archer Ltd group	26.7	18.6
Archer Assets UK Ltd	Part of Archer Ltd group	20.8	16.5
Archer DLS Corporation (BVI Company)	Part of Archer Ltd group	10.7	7.5
Archer BCH (Canada) Ltd	Part of Archer Ltd group	6.8	4.9
Archer Well Company (Malaysia) Sdn.Bhd	Part of Archer Ltd group	2.9	4.7
ARCHER DO BRASIL LTDA	Part of Archer Ltd group	2.5	2.2
Archer Consulting AS	Part of Archer Ltd group	1.4	-
Other related parties	Part of Archer Ltd group	16.8	16.4
Total revenue from related parties		787.9	655.9
Operating expense	(In NOK millions)	2023	2022
Archer Oiltools AS	Part of Archer Ltd group	22.9	23.7
Archer Ltd (BM)	Part of Archer Ltd group	16.1	18.8
Archer (UK) Ltd	Part of Archer Ltd group	6.1	8.1
Archer AS	Part of Archer Ltd group	1.0	11.6
Archer Consulting AS	Part of Archer Ltd group	1.1	0.6
ARCHER WELL COMPANY INC.	Part of Archer Ltd group	1.9	1.7
Archer Topaz Ltd (BM)	Part of Archer Ltd group	1.7	1.1
Other related parties	Part of Archer Ltd group	3.5	2.1
Total operating expense from related parties		53.0	67.1
Interest income from related parties	(In NOK millions)	2023	2022
Archer Assets UK Ltd	Part of Archer Ltd group	157.0	13.3
Archer Oiltools AS	Part of Archer Ltd group	33.3	11.6
Archer AS	Part of Archer Ltd group	-	8.6
Other related parties	Part of Archer Ltd group	1.7	4.2
Total interest income from related parties		192.1	37.6
Interest cost to related parties	(In NOK millions)	2023	2022
Archer Assets UK Ltd	Part of Archer Ltd group	0.9	28.1
Archer Ltd (BM)	Part of Archer Ltd group	-	92.4
Other related parties	Part of Archer Ltd group	0.5	1.5
Total interest cost to related parties		1.4	121.9

Archer Norge Group has the following related party transactions:

Related party to the Archer Norge Group

Revenue	(In NOK millions)	2023	2022
Archer Ltd (UK)	Part of Archer Ltd group	125.6	174.3
Archer Oil Tools LLC	Part of Archer Ltd group	50.6	46.7
Archer BCH (Canada) Ltd	Part of Archer Ltd group	30.0	19.4
Archer Well Company (Australia) Pty Ltd	Part of Archer Ltd group	28.1	32.0
ARCHER DO BRASIL LTDA	Part of Archer Ltd group	24.4	22.7
Archer UK Ltd Abu Dhabi Branch	Part of Archer Ltd group	23.5	39.3
Archer Well Company (M) Sdn Bhd.	Part of Archer Ltd group	21.6	11.1
Archer Assets UK Ltd	Part of Archer Ltd group	20.8	16.5
Archer DLS Corporation (BVI Company)	Part of Archer Ltd group	10.7	7.5
Other related parties	Part of Archer Ltd group	9.9	11.0
Total revenue from related parties		345.2	380.3
Operating expense	(In NOK millions)	2023	2022
Archer UK Ltd Abu Dhabi Branch	Part of Archer Ltd group	21.0	18.9
Archer Services Limited	Part of Archer Ltd group	17.0	20.9
Archer Ltd (BM)	Part of Archer Ltd group	16.2	18.8
Archer (UK) Ltd	Part of Archer Ltd group	13.0	14.2
Archer Oil Tools LLC	Part of Archer Ltd group	8.5	9.9
Archer Well Company (M) Sdn Bhd.	Part of Archer Ltd group	8.0	2.9
Archer Well Company (Australia) Pty Ltd	Part of Archer Ltd group	5.3	8.8
Seawell Offshore Danmark AS	Part of Archer Ltd group	4.6	10.4
Other related parties	Part of Archer Ltd group	7.2	4.2
Total operating expense from related parties		100.2	109.1
Interest income from related parties	(In NOK millions)	2023	2022
Archer Assets UK Ltd	Part of Archer Ltd group	157.1	13.3
Other related parties	Part of Archer Ltd group	1.0	3.9
Total interest income from related parties		158.1	17.2
Interest income cost to related parties	(In NOK millions)	2023	2022
Archer Assets UK Ltd	Part of Archer Ltd group	0.9	28.1
Archer Ltd (BM)	Part of Archer Ltd group	-	92.4
Other related parties	Part of Archer Ltd group	0.5	0.5
Total interest cost to related parties		1.4	120.5

Note 4 Wages, remunerations and pensions

The following table shows a summarized analysis of our total employee compensation cost.

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2023	2022		2023	2022
371.0	318.7	Salaries	2,637.1	2,332.6
66.4	47.4	Payroll tax	411.5	357.5
31.1	22.7	Pension cost	200.0	190.1
11.1	12.6	Other benefits	60.7	38.3
479.7	401.4	Total	3,309.4	2,918.4
360	324	Number of employees in full time equivalent	2 689	2 529

The Company has defined contribution pension scheme for all employees. The pension scheme satisfies the legal requirements related to occupational pension.

Compensation to managing director of the Company

(In NOK millions)	2023	2022
Salary	2.7	2.5
Bonus	1.6	1.2
Pension contribution	0.1	0.1
Other remuneration	0.0	0.1
Total compensation costs	4.4	3.9

Shares, options and restricted stock units (RSU) held by managing director of Archer Norge AS

Name	Position held in the Company	Options and RSUs held	Shares Held
Espen Joranger	Managing director	-	457,307

Mr. Joranger serves as chief financial officer for the Archer Group, in addition to having the role as managing director of Archer Norge AS. Upon termination of employment, Joranger is entitled to 12 months pay, in addition to a 6 months notice period.

Remuneration to the Board of Directors

There has not been paid any remuneration to the Directors of the Board for the year ended December 31, 2023.

The following table shows total remuneration to our auditors.

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2023	2022		2023	2022
0.4	0.2	Legally required audit	2.8	2.5
-	0.1	Attestation Services	-	-
0.4	0.3	Total	2.8	2.5

Share Incentive Plans

The Board of Archer Limited has from time to time granted restricted stock units, or RSUs, to members of Archer's management team, including employees in Archer Norge AS and its subsidiaries. The RSUs gives the grantee the right to receive shares in Archer Limited conditioned upon employment in the Archer group upon the vesting date. The RSUs typically vest over three to four years after the grant date. As of December 31, 2023 a total of 10,264,800 RSUs was outstanding of which 6,225,000 RSUs was granted to 12 employees in Archer Norge AS and its subsidiaries.

RSU awards do not receive dividends or carry voting rights during the performance period. The fair value of the restricted stock award is the quoted market price of Archer's stock on the date of grant.

	2023	2022
Average weighted fair value at grant date	0,96	3,80

Note 5 Inventories

(In NOK millions)	Archer Norge Group	
	2023	2022
Raw materials	-	5.0
Finished goods	204.6	109.2
Work in progress	5.8	6.9
Spare Parts	216.9	150.7
Drilling supplies	1.4	1.3
Write-down of obsolete inventory	(22.5)	(17.7)
Total Inventories	406.2	255.7

The write-down of obsolete inventory at year-end is related to finished goods.

Note 6 Other Financial Items

Other Financial Income

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2023	2022		2023	2022
3.7	38.0	Realized foreign exchange gain	20.1	66.1
-	80.7	Unrealized foreign exchange gain	-	8.5
93.5	-	Unrealized loss on currency swap	93.5	-
0.2	-	Other items	4.3	0.2
97.3	118.7	Total	117.8	74.8

Other Financial Cost

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2023	2022		2023	2022
25.0	24.3	Realized foreign exchange loss	43.7	40.7
34.3	-	Unrealized foreign exchange loss	247.3	-
-	145.5	Unrealized loss on currency swap	-	145.5
0.4	25.6	Withholding tax	0.8	25.8
(7.1)	7.5	Cost related to refinancing	(7.1)	7.5
-	-	Factoring agreement	29.8	12.0
4.3	0.9	Bank charges	7.9	1.8
10.2	14.6	Other items	10.3	14.4
67.1	217.9	Total	332.7	247.7

Forward Contract

The Company has large borrowings under the First Lien Facility and the Second Lien Facility, which are denominated in USD. Furthermore, the Company provides funding to other Group Companies, primarily denominated in USD. However, as the Company has more borrowing in USD than they provide lending in USD, the Company is exposed to the movement in USD/NOK rate. In order to reduce the impact of movement in USD/NOK on these balance items, the Company has entered into a USD/NOK forward contract where the Company effectively reduces the impact from foreign exchange movement. The contract is for an underlying amount of USD 165 million and expires in January 2024, at which time the contract was renewed for another 12 months period.

Note 7 Income Taxes

Temporary Differences

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2023	2022		2023	2022
24.1	4.7	Property differences	75.0	62.8
-	-	Inventory	(41.1)	(36.3)
-	-	Gain/loss account	0.1	0.2
(0.9)	-	Leasing	2.3	3.4
-	-	Other	(1.1)	(16.7)
56.4	145.5	Provisions	(251.0)	(315.0)
79.6	150.2	Total temporary differences	(215.7)	(689.8)
(514.0)	(447.4)	Losses carry forward	(910.4)	(629.1)
(277.5)	(277.5)	Interest deduction cut off carry forward	(307.3)	(307.3)
(711.9)	(574.7)	Net deferred tax asset basis before valuation allowance	(1,433.5)	(1,627.7)
(156.6)	(126.4)	Calculated deferred tax asset	(323.1)	(329.6)
(61.1)	(61.1)	Valuation allowance	(144.0)	(135.5)
(95.6)	(65.4)	Deferred tax asset	(176.0)	(194.1)

Tax expense is impacted by the derecognition of deferred tax assets which we do not expect to be able to utilise within the foreseeable future. We have booked valuation allowances against deferred tax relating to net operating losses and foreign tax credits in Argentina and United States, and other timing differences in Norway.

Calculation of the basis for taxation

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2023	2022		2023	2022
(289.6)	(225.8)	Net income before tax	78.7	91.5
(30.5)	2.3	Permanent differences	24.1	75.4
(320.1)	(223.5)	Net Taxable (Income)/Loss	102.8	206.3
70.6	(143.3)	Movement temporary differences	(474.1)	150.8
249.4	(366.8)	Net taxable income / loss	(371.3)	357.1
66.5	327.2	Tax losses to be carried forward	371.3	(357.1)
182.9	39.6	Group contribution	-	-
-	-	Taxable income / loss	-	-

For tax losses incurred in 2023 for Argentina and in the United States increase in deferred tax assets are offset by an increase in the valuation allowance, resulting in no net effect in the 2023 financial statements.

Tax expense reported in profit and loss

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2023	2022		2023	2022
-	-	Current taxes payable	48.8	32.6
-	-	Adjustment related to previous periods	-	-
-	-	Total Taxes Payable	48.8	32.6
(30.2)	(40.5)	Change in deferred taxes	20.5	18.4
(30.2)	(40.5)	Total tax expense reported in profit or loss	28.6	44.4

Tax payable in the balance sheet

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2023	2022		2023	2022
-	-	Current year	-	-
-	13.8	Withholding tax	-	13.8
-	13.8	Payable tax in the balance	-	13.8

Note 8 Property Plant and Equipment**Fixed assets - Archer Norge AS**

(In NOK millions)	Inventory	Buildings and land	IT-equipment and projects	Total
Accumulated acquisition cost at 01.01	23.1	2.9	213.9	239.9
Additions	27.6	0.1	76.7	104.4
Disposals	-	-	-	-
Accumulated acquisition cost 31.12	50.7	2.9	290.6	344.2
Accumulated depreciation 01.01	19.8	0.3	178.2	198.1
Depreciation	4.6	95	10.4	15.0
Accumulated depreciation 31.12	24.4	0.1	188.6	213.1
Net book value 31.12	26.3	2.8	102.0	131.2
Estimated economic useful life	3-10 Years	5 Years	3-5 Years	

Fixed assets - Archer Norge Group

(In NOK millions)	Operational Equipment	IT-equipment and projects	Construction / CIP	Other Fixed Assets	Total
Accumulated acquisition cost at 01.01	3,086.6	213.9	19.0	64.9	3,384.3
Additions	277.6	76.7	28.1	28.3	410.7
Disposals	(71.0)	-	(22.7)	-	(93.3)
Accumulated acquisition cost 31.12	3,393.6	290.6	24.3	93.2	3,701.7
Accumulated depreciation 01.01	2,095.7	178.2	-	30.2	2,304.0
Depreciation	155.6	10.4	-	5.5	171.4
Accumulated impairment	6.1	-	-	-	6.1
Accumulated depreciation disposals	26.7	-	-	-	27.0
Accumulated depreciation 31.12	2,230.4	188.6	-	35.8	2,454.6
Net book value 31.12	1,063.2	102.0	24.3	57.6	1,241.0
Estimated economic useful life	3-10 Years	3-5 Years		3-10 Years	

Intangible assets - Archer Norge Group

(In NOK millions)	Intangible Assets	Patents	Total
Accumulated acquisition cost at 01.01	25.9	2.3	28.2
Additions	-	-	-
Adjustment	(4.6)	-	(4.6)
Accumulated acquisition cost 31.12	21.3	2.3	23.6
Accumulated depreciation 01.01	7.9	0.2	8.2
Depreciation	5.1	0.2	5.3
Adjustments	(2.9)	0	2.9
Accumulated depreciation 31.12	10.1	0.4	10.5
Net book value 31.12	11.3	1.9	13.2

Note 9 Subsidiaries and other long-term investments

Subsidiaries which are consolidated in group accounts

Subsidiaries

Company	Location	Ownership	Total Equity	Result 2023	Book Value
Archer AS	Sandnes	100 %	435.0	198.8	1,966.2
Archer Consulting AS	Sandnes	100 %	9.0	12.1	9.0
Archer Oiltools AS	Sandnes	99.8 %	72.2	31.1	388.8
DLS Argentina Fluidos S.A.	Buenos Aires	90 %*	69.8	(10.6)	-
DLS Archer LTD SA	Buenos Aires	98 %*	393.3	(274.2)	122.3
Archer Poland sp. Z.O.O	Gdansk	100 %	0.19	(1.6)	2.7
Total					2,488.9

*the remaining shares in Archer Oiltools AS, DLS Argentina Fluidos S.A. and DLS Archer LTD SA are owned by Archer AS.

Archer Norge AS has carried out a valuation of the shares in subsidiaries as at 31.12.23 to assess the need for possible write-downs. Valuation has been carried out on the basis of the changes in market prospects that were known at the time of the presentation of the statutory accounts.

The model for valuation of shares in subsidiaries is based on a number of assumptions, including an expectation of growth in both revenue and profit. The valuation is made by calculating present value of expected future cash flows.

Due to uncertainty related the correct WACC for Argentina, the final value on 31.12.2021 was adjusted to the equity contribution from DLS Archer LTD SA in the consolidated accounts of Archer Ltd. This led to a larger write-down for 2021 than the valuation based on expected cash flows indicated. Archer Norge AS has carried out an impairment assessment as at 31.12.2023, but found no grounds for further impairment beyond what was done on 31.12.2021.

The share value of DLS Argentina Fluidos S.A. was written down to zero as of 01.01.2021.

The share value of DLS Archer LTD SA has been written down by NOK 95.6 millions in 2023.

There is great uncertainty related to the valuations as DLS Archer S.A and DLS Fluidos build terminal growth value in EBITDA for the various business areas of between 1-2% on estimates of future markets and growth within Archer's business areas. EBITDA margins are expected to improve moderately over the next few years. Should these improvements or expected growth not occur, further write-downs of the share values may occur.

2023 Annual report Archer Norge AS

We have the following participation in investments that are recorded using the equity method:

Archer Norge's investments in Unconsolidated Associates

Company	Location	Ownership	Total Equity	Conversion of loan to equity	Share in results	Carrying amount
Comtrac AS	Stavanger	50 %	57.6	-	(10.7)	17.8
Iceland Drilling	Reykjavik	50 %	247.8	62.5	(40.4)	103.3
Total investments in unconsolidated associates						121.1

Note 10 Related Party Balances

Archer Norge AS (parent company) has the following related party balances

Short term related party receivables - Parent Company

(In NOK millions)	December 31, 2023	December 31, 2022
Archer AS	304.0	307.2
Archer OilTools AS	102.2	56.7
Archer Ltd (BM)	94.8	-
DLS Archer Ltd SA	85.8	-
Archer Consulting AS	21.9	8.9
Archer Assets UK Ltd	20.5	16.4
Archer UK Ltd	15.4	6.4
Other related parties	23.6	24.0
Total	668.2	419.6

Long term related party receivables - Parent Company

(In NOK millions)	December 31, 2023	December 31, 2022
Archer Well Company Inc.	1,271.5	1,400.7
Archer Assets UK Ltd	1,109.2	-
Archer Oiltools AS	294.1	243.8
DLS Archer Ltd SA	194.7	189.0
Other related parties	42.5	135.5
Total	2,912.0	1,968.0

Due to a permanent inability to pay interest on the loan balances, Archer Norge AS has waived its rights to charge interest for loans related to Archer Well Company Inc, DLS Archer Argentina Fluidos and DLS Archer Ltd SA for 2023 and 2024.

The receivables related to DLS Archer Ltd. S.A are written down by 25.5 millions.

Long term receivables from associated companies

(In NOK millions)	December 31, 2023	December 31, 2022
Comtrac AS	9.7	15.6
Iceland Drilling Company	-	9.8
Total	9.7	25.5

Short term related party debt

(In NOK millions)	December 31, 2023	December 31, 2022
Archer Ltd (BM)	152.0	145.5
DLS Archer Ltd SA	122.3	-
Archer BCH Ltd	85.8	-
Archer AS	49.5	-
Archer Well Company Inc.	12.9	12.6
Other related parties (Net Cash Pool)	245.6	-
Total	668.2	158.1

Long term related party debt

(In NOK millions)	December 31, 2023	December 31, 2022
Archer Well Company (Australia) Pty Ltd	23.5	-
Archer Asset UK Ltd	-	1,930.4
Archer Well Comp PTE. LTD.	-	10.3
Total	23.5	1,940.8

2023 Annual report Archer Norge AS

Archer Norge Group has the following related party balances

Short term related party receivables

(In NOK millions)	December 31, 2023	December 31, 2022
DLS Argentina Limited Suc Argentina	197.3	241.5
Archer Ltd (BM)	94.8	73.0
Archer DLS Corporation Surcursal Bolivia	53.8	32.4
Archer UK Ltd	40.8	33.3
Archer Oiltools LLC	28.5	25.6
Archer DLS Corporation (BVI Company)	24.7	14.3
Archer Well Company (Malaysia)	24.1	8.7
Archer Assets UK Ltd	20.5	16.5
Archer Well Company (Australia) Pty Ltd	4.5	7.2
Other related parties	59.1	57.7
Total	552.1	510.2

Long term related party receivables

(In NOK millions)	December 31, 2023	December 31, 2022
Archer Well Company Inc.	1,271.5	1,398.7
Archer Assets UK Ltd	1,109.2	-
Archer Well Company (M) Sdn Bhd.	25.0	23.1
Other related parties	26.2	14.3
Total	2,432.1	1,436.0

Due to a permanent inability to pay interest on the loan balances, Archer Norge AS has waived its rights to charge interest for loans related to Archer Well Company Inc, DLS Archer Argentina Fluidos and DLS Archer Ltd SA for 2023 and 2024.

Long term receivables from associated companies

(In NOK millions)	December 31, 2023	December 31, 2022
Comtrac AS	9.7	15.6
Iceland Drilling Company	-	9.8
Total	9.7	25.5

Short term related party debt

(In NOK millions)	December 31, 2023	December 31, 2022
Archer Ltd (BM)	152.0	145.5
Archer BCH (Canada) Ltd	85.8	-
Archer Well Company Inc.	12.9	12.6
Archer UK Ltd Abu Dhabi Branch	11.3	-
Other related parties	9.8	8.0
Total	271.8	166.1

Long term related party debt

(In NOK millions)	December 31, 2023	December 31, 2022
Archer Well Company (Australia) Pty Ltd	23.5	-
Archer Asset UK Ltd	-	1,930.4
Archer BCH Limited	-	426.4
Other related parties	-	10.3
Total	23.5	2,367.2

Archer BCH Limited forgave in 2022 some outstanding debt to DLS Archer Ltd. S.A. due to inability to repay. This led to a financial revenue for the group of 220 million.

Note 11 Cash and Cash Equivalents

Restricted cash arising from advance employee tax withholdings:

- Archer Norge AS 5.9 millions.
- Archer Norge Group 37.2 millions.

During 2023 there was established a Cash Pool solution in SR Bank where Archer Norge AS is the owner.

Note 12 Shareholders and Equity**Share Capital**

The company's share capital is NOK 1,168,850,000 divided into 11,688,500 shares with a nominal value of NOK 100. The is one share class and all shares carry equal voting rights. All shares are owned by Archer Assets UK Ltd.

Equity change for 2023 - Archer Norge AS

(In NOK millions)	Share Capital	Share Premium	Other Paid-in Capital	Other Equity	Total Shareholders' Equity
Equity as at 01.01.2023	1,068.9	848.0	18.5	(524.0)	1,411.3
Additional paid in capital Archer Asset UK	100.0	300.0	-	-	400.0
Net income	-	-	-	(259.4)	(259.4)
Stock options	-	-	0.5	-	0.5
Equity as at 31.12.2023	1,168.9	1,148.0	19.0	(783.4)	1,552.4

Equity change for 2023 - Archer Norge Group

(In NOK millions)	Share Capital	Share Premium	Other Paid-in Capital	Other Equity	Total Shareholders' Equity
Equity as at 01.01.2023	1,068.9	848.0	18.5	(2,297.0)	(360.6)
Additional paid in capital Archer Asset UK	100.0	300.0	-	-	400.0
Net income	-	-	-	50.1	50.1
Stock options	-	-	0.5	-	0.5
Translation difference	-	-	-	(5.5)	(5.5)
Equity as at 31.12.2023	1,168.9	1,148.0	19.0	(2,238.9)	97.0

Note 13 Guarantees, pledges, etc.

Archer Limited and certain of its subsidiaries - including Archer Norge AS, have entered into a \$260 million first lien multicurrency term and revolving credit facility and guaranty facility (the "First Lien Facility") and Archer Norge AS has issued a \$200 million senior secured second lien bonds (the "Second Lien Bond").

Archer Norge AS has provided pledges over shares in its material subsidiaries, assignment over intercompany debt and guarantees issued by the material subsidiaries as security for the First Lien Facility and Second Lien Bond. In addition, Archer Norge's own shares are pledged as security for these creditors.

Archer Norge AS has issued performance guarantees to subsidiaries in connection with the conclusion of contracts.

Note 14 Subsequent Events

In March 2024, Archer was awarded a 4-year platform drilling contract extension for the operation of nine installations in the North Sea for Equinor.

In March 2024, Archer announced the agreement to acquire 65% of the shares in Vertikal Service AS, a Norwegian based energy service company.

Note 15 Other Short Term Receivables

Our other noncurrent assets are composed of the following:

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2023	2022		2023	2022
32.6	26.3	Prepaid expenses	70.8	51.4
8.1	9.1	VAT and other taxes receivables	38.5	57.7
5.9	-	Reimbursements	87.2	138.5
11.5	0.1	Other short term receivables	23.8	28.5
58.1	35.5	Total short term receivables	220.3	276.1

Note 16 Other Current Liabilities

Our other current liabilities are comprised of the following:

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2023	2022		2023	2022
112.7	-	Accrued interest	113.4	-
3.3	36.9	Accrued expenses	236.5	323.4
43.2	20.9	Accrued salaries	173.0	152.9
11.1	0.8	Other current liabilities	119.9	147.9
170.3	58.6	Total other current liabilities	642.8	624.2