

2024 Archer Norge AS

Annual Report

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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 its registered address is in Sandnes. The Company owns directly and indirectly the following subsidiaries; Archer AS (Norwegian), Archer Oiltools AS (Norwegian), Archer Consulting AS (Norwegian), Comtrac AS (Norwegian), Archer Wind 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). In addition, Archer Norge AS owns 65% of the shares in Vertikal Service AS (Norwegian) and indirectly 95% of the shares in DLS ADA S.A. Argentina (Argentinian) (the "Subsidiaries"). Finally, Archer Norge AS owned 50% of the shares in Jarðboranir hf (Iceland Drilling) from the beginning of the year, and increased its ownership to 60% in November 2024 before selling all of these shares to its parent, Archer Assets UK Ltd in December 2024. The Company together with the Subsidiaries (the "Archer Norge Group"), and consolidating the operation in Iceland Drilling for 1.5 months, constitute the basis for the consolidated financial statement herein.

The Archer Norge Group is part of the wider Archer group, which is constituted by Archer Limited and its direct and indirect subsidiaries (the "Archer"). Archer provides drilling and well services to the global energy industry employing 5,000 globally. Archer operates in over 40 countries, providing sustainable high-quality services and innovative technology to optimize Archer's customer's energy solutions. Archer is publicly traded on the Oslo Stock Exchange under the ticker ARCH. Archer's main operations currently take place in the major basins within Europe, Asia Pacific, North and South America and Archer is expanding throughout the Middle East, and West Africa.

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.

Equity increase

During 2024, Archer Assets UK Ltd. contributed NOK 300 million in additional equity into Archer Norge AS.

Investments during 2024

Set out below is an overview of material investments which have been made by the Company since 31 December 2023:

Acquisition of Vertikal Service AS

On 6 May 2024 Archer Norge AS completed the acquisition of 65% of the shares in Vertikal Service AS. (or "Vertikal"), an unrelated company who offers inspection, installation, and maintenance services to energy customers using advanced industrial rope access techniques on complex structures such as offshore and onshore wind turbines, hydropower stations, and offshore oil and gas installations. The purchase is part of Archer's diversification into the renewable energy sector, by the acquisition of projects in the wind and hydro generated power and a workforce with experience and know-how in this sector, which is augmented by Archer's engineering skills and industry knowledge.

Acquisition of Moreld Ocean Wind AS

On 1 July 2024 Archer Norge AS completed the acquisition of Moreld Ocean Wind AS, subsequently re-named Archer Wind AS (or "Archer Wind"). Archer Wind is developing offshore floating wind foundations, and is currently managing the development of a prototype installation under a contract with Total Energies using unique technology provided under a collaboration agreement with Ocergy inc., a US technology and solutions provider. The purchase is part of Archer's diversification into the renewable energy sector, by the acquisition of projects in wind and hydro generated power. The acquired workforce with experience and know-how in this sector is augmented by Archer's engineering skills and industry knowledge.

Acquisition of ADA Argentina SRL

On 31 July 2024, Archer's fully owned Argentinian subsidiaries completed the purchase of ADA Argentina SRL, (or "ADA"), from Air Drilling Associated. ADA performs drilling services in Argentina through the operation of managed pressure drilling equipment. Archer's customers in Argentina are increasingly requiring the sorts of services provided by ADA to be provided by alongside land drilling services already provided, so the ADA business compliments Archer's operations and facilitates the offering of integrated services by Archer. ADA is owned 95% by DLS Archer Ltd. S.A, which is directly and indirectly owned by Archer Norge AS.

Acquisition of Comtrac AS

Since 2020, Archer Norge AS has owned 50% of Comtrac AS, an entity set up for the development and ownership of well intervention technology. Since its inception, the investment in Comtrac AS has been accounted for using the equity method of consolidation. On 4 September 2024 Archer Norge AS purchased the other 50% of the company from the only other shareholder, IKM Gruppen AS. Following the attainment of 100% ownership of Comtrac AS Archer is able to directly commission the building of rods, which are the ComTrac technology, which are utilised in the provision of well services to Archer's customers.

Acquisition of shares in Iceland Drilling

In November 2024, the Company completed the acquisition of an additional 10% of the shares in Iceland Drilling from its joint venture partner Kaldbakur. for USD 2.5 million. Iceland Drilling is an international leader in high-temperature geothermal drilling, with offerings across renewable service segments such as deep drilling for electricity generation, wells for district heating and cooling, and wells for carbon storage. The company has close to 200 employees with its main operations currently in Iceland and the Philippines. Archer Norge AS's shares in Iceland Drilling was sold to the Company's parent company, Archer Assets UK Ltd. in December 2024, pursuant to which, Archer Norge AS does not have an ownership interest in Iceland Drilling.

Outlook

The outlook for the Archer Norge Group is aligned to that of Archer. The markets for the Group's services are impacted by the operators demand for Archer's services which are in the longer term impacted by the ongoing energy transition as well as cyclical variations influenced by oil market outlook and oil price levels.

Archer shares IEA's expectation that global energy consumption will 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's service offerings globally. Archer's main activity remains within the brownfield portion of the oil and gas value chain, which is less volatile than the greenfield developments.

Short-term, Archer expects continued focus from the operators towards production drilling from producing fields, both onshore and offshore. Over time Archer expects that the number of production facilities in the North Sea will decline as production and services relating to oil and gas related exploration will enter a declining phase in the North Sea. The pace and magnitude of the demand shift from hydrocarbons to renewables remain uncertain and difficult to predict, and the impact on the Group's business is subject to a number of factors. At the same time, the energy transition has presented new markets for Archer services. In particular, Archer focuses on further advancing its OneArcher operating model and capitalizing on Archer's market presence to capture a substantial portion of the Plug and Abandonment work that is required in the North Sea in the decades ahead. Furthermore, the ownership in Iceland Drilling, which focuses on services to the geothermal drilling industry, provides a clear synergy to Archer's drilling services provided, particularly relating to its land drilling operations. Finally, Archer's investment in Archer Wind, provide for a foothold in the floating offshore wind market, which can possibly be an important growth area for Archer going forward.

In the Land Drilling division, the Company is capitalizing on Archer's expertise and assets to be the Argentinean operator's driller of choice in the ongoing development of the Vaca Muerta shale oil and gas. As also described in section 2.1.4, Argentina's default on its sovereign debt combined with capital restrictions have led to a challenging situation for the oil and gas sector in the country, including the oil service industry. Currently the fairly new government in Argentina has indicated easing of the strict capital controls, including prohibiting payment to related parties for services rendered, which effectively prevents payment from Argentinean Archer entities to non-Argentinean Archer entities. The development in the Vaca Muerta basin, and Argentina's sanctioning of oil and gas infrastructure, provides for a more optimistic view on the market environment for Archer going forward.

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 Group aims to achieve this by continuously improving its services and product quality and by utilizing people who demonstrate the values of the Group and deliver excellence. This approach enables the Group to further broaden its reach, both geographically and technically, and it can be the foundation to secure longer term profitable growth. The Group will leverage competence and experience, for use in sustainable renewable energy with service offering with geothermal energy, carbon storage, wind, and hydropower for the long-term growth. The Group will continue to pursue opportunities to benefit from economies of scale, to selectively strengthen the Group's geographical footprint and to develop proprietary technologies.

Subsequent events

On February 6, 2025 Archer announced the placement of a new 5 year USD 425 million senior secured bond, carrying a coupon of 9.5%. The new bond where issued by Archer Norge AS on February 24th. The proceeds from the bond issuance were applied towards the full repayment of the First Lien Facility and the Second Lien Bond described in Note 10 Long-term, Interest Bearing Debt. Following these repayments, the unamortised debt issuance costs relating to these facilities will be expensed and result in a non-cash financial cost of \$17.4 million in the first quarter of 2025. In connection with the bond issuance, Archer established a \$75 million revolving credit facility, ranking super senior to the bonds.

Financial Review

Revenue for the Archer Norge Group for the year ended December 31, 2024 was NOK 9,177.3 million or 13% higher than the revenue in 2023. Total expenses, including reimbursable expenses and depreciation for the year ended December 31, 2024 amounted to NOK 8,854.6 million, an increase of 19 % compared to the year ended December 31, 2023. These increases are results of increased activity levels in the Archer Norge Group and effect of the acquisitions as described in Business Overview

The operating income was NOK 322.6 million in 2024, compared to NOK 710.5 million in 2023.

Net financial cost amounted to NOK 431.8 million in 2024, compared to NOK 631.8 million in 2023.

The net loss for 2024 amounted to 103.7 million, compared to income of 50.1 million in 2023.

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

Transferred from other equity NOK 103.7 million

Total allocated in 2024 NOK 103.7 million

Balance sheet

Our total assets were NOK 8,438.9 million at December 31, 2024, an increase of 31% compared to NOK 6,455.3 million at December 31, 2023. The increase is reflecting primarily the additional investments in companies over the course of the year. Total cash and bank deposits totalled NOK 524.0 million at the end of 2024.

Our total current liabilities were NOK 3,229.8 million at December 31, 2024 compared to NOK 2,044.8 million at 31 December 2023, an increase of NOK 1,185.0 million. Our total non-current liabilities were NOK 4,890.4 million at December 31, 2024 compared to NOK 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, 2024 and 2023.

In NOK millions	2024	2023
Net cash provided by operating activities	405.6	14.8
Net cash used in investing activities	49.0	(607.6)
Net cash provided by/(used in) financing activities	(227.1)	393.5
Cash and cash equivalents, including restricted cash at the beginning of the year	315.1	512.8
Cash and cash equivalents, including restricted cash, at the end of the year	524.0	315.1

Cash flow from operating activities increased in 2024 to NOK 405.6 million, compared to NOK 14.8 million in 2023, resulting from improved operational performance and improved working capital

Cash flow from investing activities totalled NOK 49.0 million in 2024 compared to a cash outflow of NOK 607.6 million in 2023.

In 2024 cash outflow from financing activities amounted to NOK 227.1 million, compared to a cash flow in 2023 of NOK 393.5 million.

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 0.36 per 200,000 man-hours in 2024, compared to 0.15 in 2023. In total there were 12 reportable injuries in 2024, of which 7 were absenteeism injuries compared to 5 in 2023.

Absenteeism

Average sickness absence varies between companies from 0.8% to 6.1%. 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 2024 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 Archer Norge Group's 3,634 employees as of 31 December 2024, 6.3% are women and 93.7% 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, 2025, 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. 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 and the prospectus dated December 20, 2024 for additional risk factors that are relevant for the Archer Norge Group. The board insurance is issued on top company and cover all the subsidiaries.

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 2030 following the refinancing in 2025 and the market outlook for the energy service sector as at December 31, 2024. The Board believes the annual report provides a fair presentation of the Group's assets and debt, financial position and financial performance.

Sandnes March 28, 2025

The Board of Archer Norge AS



Espen Joranger
(Director/Managing Director)



Joachim Houeland
(Chairman)



Einar Aage Vae
(Director)



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 2024, the statement 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 2024, the statement 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 2024, 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 2024, 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, 28 March 2025

PricewaterhouseCoopers AS

Roy Henrik Heggelund

State Authorised Public Accountant

(This document is signed electronically)

Revisjonsberetning - Archer Norge AS

Signers:

<i>Name</i>	<i>Method</i>	<i>Date</i>
Heggelund, Roy Henrik	BANKID	2025-03-28 16:34



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Consolidated Statements of Operations

Archer Norge AS		(In NOK millions)		Archer Norge Group	
2024	2023		Note	2024	2023
Revenues					
893.0	787.9	Operating revenues		7,463.5	6,296.2
-	-	Reimbursable revenues		1,671.8	1,796.5
-	-	Other operating income		42.0	29.5
893.0	787.9	Total Revenues	2	9,177.3	8,122.2
Expenses					
482.5	479.7	Employee benefits expense	4	3,488.2	3,309.4
-	-	Cost of goods	5	831.8	790.1
-	-	Reimbursable expenses		1,661.1	1,664.4
28.3	15.0	Depreciation and amortisation	8	324.0	182.4
-	-	Impairment charges	8	-	1.7
356.3	259.4	Other operating expenses	3,4	2,549.6	1,463.6
867.2	754.1	Total Expenses		8,854.6	7,411.7
25.8	33.7	Operating Income		322.6	710.5
Financial items					
492.5	212.1	Interest income	3	445.7	244.9
(690.1)	(597.8)	Interest expenses	3	(674.3)	(610.8)
(5.5)	(100.4)	Impairment financial items	9,10	(5.5)	-
18.2	(51.1)	Share of results in associated companies	9	18.2	(51.1)
246.1	213.8	Other financial items	6	(215.8)	(214.8)
61.2	(323.3)	Total Financial items		(431.8)	(631.8)
87.0	(289.6)	(Loss) / Income from continuing operations before taxes		(109.2)	78.7
17.1	(30.2)	Income tax expense	7	(5.5)	28.6
70.3	(259.4)	(Loss) / Income from continuing operations		(103.7)	50.1
70.3	(259.4)	Net (Loss) / Income		(103.7)	50.1
-	-	- Attributable to non-controlling interest		(2.3)	-
-	-	- Attributable to controlling interest		(101.4)	-

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, 2024	Dec. 31, 2023			Dec. 31, 2024	Dec. 31, 2023
-	-	Goodwill	17	47.4	-
-	-	Concessions, patents, licences, etc.	8	57.4	13.2
78.9	95.6	Deferred tax asset	7	257.6	176.0
181.2	131.2	Property plant and equipment, net	8	1,391.4	1,241.0
2,545.0	2,488.9	Investments in subsidiaries	9	-	-
3,339.3	2,912.0	Loans to related parties long term	11	2,762.6	2,432.1
-	121.1	Investments in associated companies	9	21.9	121.1
26.3	46.1	Other receivables		130.3	66.2
6,170.7	5,794.8	Total Fixed Assets		4,668.4	4,049.4
-	-	Inventories	5	377.4	406.2
-	1.1	Trade receivables		943.2	912.3
1,664.7	668.2	Other receivables related parties	11	1,713.0	552.1
92.4	58.1	Other receivables	15	212.6	220.3
460.2	225.4	Cash and bank deposits	12	524.0	315.1
2,217.3	952.8	Total Current Assets		3,770.3	2,405.9
8,388.0	6,747.7	Total Assets		8,438.9	6,455.3
1,923.4	1,552.4	Shareholders' equity		316.5	97.0
-	-	Non-controlling interest in consolidated subsidiary		2.3	-
1,923.4	1,552.4	Total Equity	13	318.7	97.0
-	-	Badwill	17	25.1	-
4,644.0	4,139.1	Liabilities to financial institutions	10	4,736.7	4,198.3
28.5	23.5	Liabilities to related parties long term	10	28.5	23.5
-	-	Other non-current liabilities		100.0	91.8
4,672.6	4,162.6	Total Non-current Liabilities		4,890.4	4,313.5
1,395.5	672.8	Liabilities to related parties	10	1,158.9	271.8
66.6	116.5	Trade creditors		795.3	649.5
-	-	Tax payable	7	-	-
72.4	73.2	Public duties payable		469.5	480.7
257.6	170.3	Other current liabilities	16	806.2	642.8
1,792.1	1,032.7	Total Current Liabilities		3,229.8	2,044.8
8,388.0	6,747.7	Total Equity and Liabilities		8,438.9	6,455.3

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

The Board of Archer Norge AS,
Sandnes March 28, 2025


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	
2024	2023			2024	2023
87.0	(289.6)	Net (loss)/profit from continuing operations		(109.2)	78.7
-	(13.8)	Taxes paid	7	(9.3)	(21.9)
		Adjustment to reconcile net loss to net cash provided by operating activities			
28.3	15.0	Depreciation and amortisation	8	324.0	182.4
-	100.4	Impairment of fixed assets	8,10	-	1.7
1.0	0.5	Share-based compensation expenses		1.3	0.5
-	-	(Gain)/loss on assets disposals		(10.9)	(28.2)
(357.5)	(182.9)	Group contribution recognized as income		-	-
(18.2)	51.1	Share of losses of unconsolidated affiliates	9	(18.2)	51.1
22.6	(100.3)	Change in accounts receivable		117.3	(168.9)
-	-	Change in inventories		40.5	(149.1)
11.2	49.4	Change in accounts payable		68.0	411.9
1.3	(375.1)	Change in other operating assets and liabilities net, Including non-cash fx effects		2.0	(350.7)
(224.3)	(738.2)	Net Cash Provided by operating activities		405.6	14.8
-	-	Proceeds from sale of tangible fixed assets and marketable securities		31.9	-
(78.4)	(104.4)	Capital expenditures	8	(330.1)	(323.0)
103.0	(528.1)	Funding group companies		103.0	-
146.7	251.2	Net borrowings/repayments in cash pool		203.2	(235.2)
(72.3)	(49.4)	Investment in associated entities	9	(129.4)	(49.4)
170.4	-	Sale associated entities		170.4	-
269.4	(430.7)	Net Cash used by Investing Activities		49.0	(607.6)
(142.4)	2,731.5	Borrowings under revolving facilities, other long-term debt and financial leases		(184.5)	2,814.3
(150.8)	(2,002.6)	Repayment of loans group companies	10	(342.6)	(2,820.7)
181.8	200.0	Group contribution received		-	-
300.0	400.0	New equity received	12	300.0	400.0
188.6	1,328.9	Net Cash Provided by Financing Activities		(227.1)	393.5
-	-	Effect of exchange rate changes on cash and cash equivalents		2.7	1.5
233.7	160.1	Net Increase in Cash and Cash Equivalents		227.5	(197.8)
226.5	66.4	Cash and cash equivalents at beginning of the period		315.1	512.8
-	-	Business acquisitions net of cash acquired		30.7	-
-	-	Net cash sold companies		(51.9)	-
460.2	226.5	Cash and Cash Equivalents at the end of the Period	11	524.0	315.1

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

Notes

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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.

Goodwill

We allocate the cost of acquired businesses to the identifiable tangible and intangible assets and liabilities acquired, with any remaining amount being capitalised as goodwill. Goodwill is amortised over 5 years.

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	
2024	2023		2024	2023
893.0	787.9	Revenue	7,463.5	6,296.2
-	-	Other operating income	42.0	29.5
-	-	Reimbursable Income	1,671.8	1,796.5
893.0	787.9	Total revenue	9,177.3	8,122.2
Segments				
-	-	Platform operations	4,537.2	5,076.7
-	-	Well Services	2,776.5	1,664.2
-	-	Land Drilling	1,595.5	1,287.6
-	-	Renewables	267.7	-
893.0	787.0	Headquarter services	-	-
0	0.9	Other revenue	-	93.8
893.0	787.9	Total revenue	9,177.3	8,122.2
Geographical areas				
790.0	705.6	Norway	6,853.7	6,530.5
15.0	13.2	Argentina	1,610.5	1,287.6
63.5	47.5	UK	210.5	92.6
1.6	3.8	Middle East	97.1	112.9
13.4	15.6	America	265.1	74.0
0.4	1.2	Poland	0.4	24.5
0.6	-	Iceland	54.8	-
8.5	1.0	Other	85.2	-
893.0	787.9	Total revenue	9,177.3	8,122.2

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)	2024	2023
Archer AS	676.8	618.3
Archer Oiltools AS	96.8	81.0
Archer (UK) Ltd	38.0	26.7
Archer Assets UK Ltd	25.4	20.8
Archer DLS Corporation (BVI Company)	15.0	10.7
Archer BCH (Canada) Ltd	8.0	6.8
Archer Well Company (Malaysia) Sdn.Bhd	3.6	2.9
ARCHER DO BRASIL LTDA	4.1	2.5
Archer Consulting AS	8.0	1.4
Other related parties	17.3	16.8
Total revenue from related parties	893.0	787.9
Operating expense (In NOK millions)	2024	2023
Archer Ltd (BM)	21.3	16.1
Archer Oiltools AS	17.7	22.9
Archer AS	16.2	6.1
Archer (UK) Ltd	14.1	1.0
Archer Well Company Inc.	3.0	1.9
Archer Topaz Ltd (BM)	1.8	1.7
Archer Consulting AS	1.0	1.1
Other related parties	5.5	3.5
Total operating expense from related parties	80.6	53.0
Interest income from related parties (In NOK millions)	2024	2023
Archer Assets UK Ltd	194.1	157.0
Archer Well Company Inc.	191.9	-
Archer Oiltools AS	50.4	33.3
Archer Ltd (BM)	27.7	-
Ziebel US	4.6	1.5
Archer AS	3.4	-
Other related parties	5.7	0.2
Total interest income from related parties	478.0	192.1
Interest cost to related parties (In NOK millions)	2024	2023
Archer AS	26.3	-
Archer (UK) Ltd	7.6	-
Archer Assets UK Ltd	5.7	0.9
Archer Ltd (BM)	5.6	-
Other related parties	7.6	0.5
Total interest cost to related parties	52.8	1.4

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Archer Norge Group has the following related party transactions:

Part of Archer Ltd Group		
Related party to the Archer Norge Group		
Revenue (In NOK millions)	2024	2023
Archer Ltd (UK)	158.0	125.6
Archer Oil Tools LLC	121.5	50.6
Archer UK Ltd Abu Dhabi Branch	53.3	23.5
Archer BCH (Canada) Ltd	53.1	30.0
Archer Well Company (Australia) Pty Ltd	49.1	28.1
Archer Well Oil and Gas Services LLC	42.2	-
ARCHER DO BRASIL LTDA	31.0	24.4
Archer Well Company (M) Sdn Bhd.	25.2	21.6
Archer Assets UK Ltd	24.4	20.8
DLS Argentina Surcursal Argentina	21.3	-
Archer DLS Corporation (BVI Company)	14.4	10.7
Other related parties	5.5	9.9
Total revenue from related parties	598.9	345.2
Operating expense (In NOK millions)	2024	2023
Archer UK Ltd Abu Dhabi Branch	216.3	21.0
Archer BCH (Canada) Ltd	154.0	0.9
Archer Ltd (UK)	39.8	12.6
Archer Ltd (BM)	19.5	16.2
Archer Services Limited	15.0	17.0
Archer Oil Tools LLC	14.9	8.5
Archer Well Company (Australia) Pty Ltd	9.6	5.3
Archer Well Company (M) Sdn Bhd.	9.0	8.0
Seawell Offshore Danmark AS	3.8	4.6
ARCHER DO BRASIL LTDA	3.1	-
Archer DLS Corporation Surcursal Bolivia	3.0	1.6
Other related parties	3.7	4.4
Total operating expense from related parties	491.7	100.2
Interest income from related parties (In NOK millions)	2024	2023
Archer Assets UK Ltd	194.2	157.1
Archer Ltd (BM)	27.4	-
Archer Ltd (UK)	3.4	-
Archer Well Company (M) Sdn Bhd.	0.9	-
Other related parties	0.2	1.0
Total interest income from related parties	226.1	158.1

Interest income cost to related parties (In NOK millions)	2024	2023
Archer Ltd (UK)	7.6	-
Archer Assets UK Ltd	5.7	-
Archer Ltd (BM)	5.6	0.9
Archer Well Company (Australia) Pty Ltd	2.3	-
Other related parties	0.1	0.5
Total interest cost to related parties	21.2	1.4

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	
2024	2023		2024	2023
374.5	371.0	Salaries	2,706.3	2,637.1
65.0	66.4	Payroll tax	451.1	411.5
33.2	31.1	Pension cost	211.7	200.0
9.9	11.1	Other benefits	119.6	60.7
482.6	479.7	Total	3,488.7	3,309.4
340	360	Number of employees in full time equivalent	2 582	2 689

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)	2024	2023
Salary	2.7	2.7
Bonus	1.2	1.6
Pension contribution	0.1	0.1
Other remuneration	0.0	0.0
Total compensation costs	4.1	4.4

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 in Archer Ltd
Espen Joranger	Managing director	-	18,292

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, 2024.

The following table shows total remuneration to our auditors.

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2024	2023		2024	2023
0.8	0.4	Legally required audit	2.7	2.8
-	-	Attestation Services	-	-
0.8	0.4	Total	2.7	2.8

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, 2024 a total of 272,928 RSUs was outstanding of which 158,400 RSUs was granted to 11 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.

	2024	2023
Average weighted fair value at grant date*	23,0	24,0

* the RSUs where granted prior to the 1:25 share consolidation conducted during 2024 and is adjusted accordingly for 2023 and 2024.

Entity	Legal entity number	Outstanding per 31.12.2024	Number of employees	Fair Value
Archer Norge AS	173	108 800	8	23,25
Archer Oiltools AS	175	49 600	3	22,62

Note 5 Inventories

(In NOK millions)	Archer Norge Group	
	2024	2023
Raw materials		
Finished goods	154.4	204.6
Work in progress	13.6	5.8
Spare Parts	235.3	216.9
Drilling supplies	1.0	1.4
Write-down of obsolete inventory	(26.8)	(22.5)
Total Inventories	377.4	406.2

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	
2024	2023		2024	2023
4.4	3.7	Realized foreign exchange gain	44.4	20.1
-	-	Unrealized foreign exchange gain	-	-
150.8	93.5	Unrealized gain on forward trade contract	150.8	93.5
18.2	-	Share of profit in limited partnerships	18.3	-
-	0.2	Other items	46.0	4.3
173.4	97.3	Total	259.5	117.8

Other Financial Cost

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2024	2023		2024	2023
3.7	25.0	Realized foreign exchange loss	42.3	43.7
254.1	34.3	Unrealized foreign exchange loss	275.7	247.3
-	0.4	Withholding tax	-	0.8
-	(7.1)	Cost related to refinancing	-	(7.1)
-	-	Factoring agreement	39.8	29.8
1.1	4.3	Bank charges	7.7	7.9
7.7	10.2	Other items	91.8	10.3
266.7	67.1	Total	457.3	332.7

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 USDNOK rate. In order to reduce the impact of movement in USDNOK on these balance items, the Company has entered into a USDNOK 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 2025, and then the contract was renewed.

Note 7 Income Taxes**Temporary Differences**

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2024	2023		2024	2023
49.5	24.1	Property differences	53.2	75.0
-	-	Inventory	(43.4)	(41.1)
-	-	Gain/loss account	0.1	0.1
(1.7)	(0.9)	Leasing	1.0	2.3
-	-	Other	-	(1.1)
150.8	56.4	Provisions	(251.5)	(251.0)
198.6	79.6	Total temporary differences	(240.6)	(215.7)
(557.5)	(514.0)	Losses carry forward	(1,463.7)	(910.4)
(277.5)	(277.5)	Interest deduction cut off carry forward	(311.8)	(307.3)
(636.4)	(711.9)	Net deferred tax asset basis before valuation allowance	(2,016.0)	(1,433.5)
(140.0)	(140.0)	Calculated deferred tax asset	(502.5)	(323.1)
(61.1)	(61.1)	Valuation allowance	(244.9)	(144.0)
(78.9)	(95.6)	Deferred tax asset	(257.6)	(176.0)

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	
2024	2023		2024	2023
87.0	(289.6)	Net income before tax	(109.2)	78.7
(344.8)	(30.5)	Permanent differences	36.0	24.1
(257.8)	(320.1)	Net Taxable (Income)/Loss	(73.2)	102.8
(119.1)	70.6	Movement temporary differences	(75.4)	(474.1)
(376.9)	249.4	Net taxable income / loss	(148.6)	(371.3)
19.4	66.5	Tax losses to be carried forward	168.5	371.3
357.5	182.9	Group contribution	-	-
-	-	Taxable income / loss	20.0	-

Tax expense reported in profit and loss

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2024	2023		2024	2023
-	-	Current taxes payable	4.3	48.8
-	-	Adjustment related to previous periods	-	-
-	-	Total Taxes Payable	-	48.8
16.7	(30.2)	Change in deferred taxes	(9.8)	20.5
16.7	(30.2)	Total tax expense reported in profit or loss	(5.5)	28.6

Effective tax rate

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2024	2023		2024	2023
87.0	(289.6)	Net income before tax	(109.2)	78.7
19.1	(63.7)	22% of net income before tax	(24.0)	17.3
2.5	33.5	22% of permanent differences	7.9	5.5
-	-	Valuation allowance	(26.5)	(17.0)
16.7	(30.2)	Calculated tax	(5.5)	28.8
19%	10%	Effective tax rate	5%	37%

The Group operates in a number of jurisdictions and its tax filings are subject to regular audit by the tax authorities.

As in previous years, all benefits and expenses in relation to uncertain tax positions have been analysed in terms of quantification and risk, and we have provided for uncertain benefits and expenses where we believe it is more likely than not that they will crystallise.

The Group's accounting policy is to include interest and penalties in relation to uncertain tax positions within tax expense. Withholding taxes are expensed as and when withheld and are credited to the income statement if and when recovered. Penalties and interest on tax are classified as income tax expense.

Tax payable in the balance sheet

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2024	2023		2024	2023
-	-	Current year	(4.2)	-
-	-	Withholding tax	1.0	-
-	-	Payable tax in the balance	(3.2)	-

Tax expense reported in profit and loss

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2024	2023		2024	2023
-	-	Current taxes payable	4.3	48.8
-	-	Adjustment related to previous periods	-	-
-	-	Total Taxes Payable	-	48.8
16.7	(30.2)	Change in deferred taxes	(9.8)	20.5
16.7	(30.2)	Total tax expense reported in profit or loss	(5.5)	28.6

Global Minimum Top-up Tax

In March 2022, the Organisation for Economic Co-operation and Development (OECD) issued technical guidance and overview of the potential impact of the OECD Pillar Two expansion on the financial statements.

The expansion of Pillar Two aims to address Base Erosion and Profit Shifting (BEPS) by introducing a global minimum tax rate of 15 % and implementing tax legislation for the allocation of taxing rights.

The Group's ultimate parent is in Bermuda. In December 2023 Bermuda implemented corporate income tax, which will come to effect for fiscal years beginning on or after January 1, 2025. The Bermuda income tax rules are intended to align to the Organisation for Economic Co-operation and Development's global anti-base erosion (GloBE) rules to support consistent and predictable tax outcomes. The calculation of taxable income begins with *financial accounting net income or loss* (FANIL) determined in accordance with the acceptable financial accounting standard used in preparing the consolidated financial statements of the ultimate parent entity of the group or, at the election of the Bermuda constituent entity, another approved financial accounting standard. The statutory income tax rate would be 15%.

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The tax legislation is effective from 1 January 2024, and therefore the Group is subject to the global minimum top-up tax under Pillar Two legislation for the fiscal year 2024.

The Group has prepared a preliminary Transitional country-by-country reporting (CbCR) Safe Harbour assessment concluding on FY2024, based on which it expects to be eligible for the Transitional CbCR Safe Harbour in the majority of jurisdictions in which the Group is present during FY2024.

The top-up tax for fiscal year 2024 amounts to NOK 0.

At 31 December 2024, there are no indications that the top-up tax will have material impact to the Group in 2025.

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	50.7	2.9	290.6	344.2
Additions	0.6	-	77.8	78.4
Disposals	-	-	-	-
Accumulated acquisition cost 31.12	51.3	2.9	368.4	422.6
Accumulated depreciation 01.01	24.4	0.3	188.6	213.3
Depreciation	7.3	0.1	20.9	28.3
Accumulated depreciation 31.12	31.7	0.4	209.4	241.6
Net book value 31.12	19.6	2.5	158.9	181.0
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	3,283.6	290.6	67.3	93.2	3,734.6
Assets recognised on acquisition	67.8	-	-	0.3	68.1
Additions	350.9	77.8	42.0	0.7	471.4
Disposals	(51.2)	-	(76.4)	-	(127.6)
Translation adjustment	115.8	(10.4)	-	(1.6)	103.8
Accumulated acquisition cost 31.12	3,767.0	358.0	32.9	92.5	4,250.3
Accumulated depreciation 01.01	2,230.4	188.6	-	35.8	2,454.8
Accumulated depreciation recognised on acquisition	19.4	-	-	0.2	19.6
Depreciation	277.9	20.9	-	8.8	307.6
Accumulated impairment	-	-	-	-	-
Accumulated depreciation disposals	(33.2)	-	-	-	(33.2)
Translation adjustment	101.3	10.5	-	(1.6)	107.0
Accumulated depreciation 31.12	2,592.6	220.0	-	43.2	2,855.7
Net book value 31.12	1,171.2	138.0	32.9	49.4	1,391.4
Estimated economic useful life	3-10 Years	3-5 Years		3-10 Years	

Intangible assets - Archer Norge Group

(In NOK millions)	Intangible Assets	Total
Accumulated acquisition cost at 01.01	127.3	128.3
Additions	1.6	1.6
Accumulated acquisition cost 31.12	128.9	129.9
Accumulated depreciation 01.01	59.4	59.4
Depreciation	12.1	12.1
Accumulated depreciation 31.12	71.4	71.4
Net book value 31.12	57.4	57.4
Estimated economic useful life	3-10 Years	

Note 9 Subsidiaries and other long-term investments

Subsidiaries which are consolidated in group accounts

Subsidiaries

Company	Location	Ownership	Total Equity	Result 2024	Book Value
Archer AS	Sandnes	100 %	321.5	120.3	1,966.2
Archer Consulting AS	Sandnes	100 %	9.0	4.5	9.0
Archer Oiltools AS*	Sandnes	99.8 %	62.2	41.4	388.8
DLS Argentina Fluidos S.A.*	Buenos Aires	90 %	87.5	(9,1)	-
DLS Archer LTD SA*	Buenos Aires	98 %	306.4	117.3	122.3
Archer Poland sp. Z.O.O	Gdansk	100 %	(1.6)	0.9	2.7
Vertikal Service AS	Volda	65 %	16.6	(13.3)	26.5
Archer Wind AS	Stavanger	100 %	(15.7)	4.1	18.9
Comtrac AS	Sandnes	100 %	29.8	(2.9)	10.7
Total					2,545.0

*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 31.12.24 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 31.12.2024, 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 was 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.

During 2024 Archer Norge bought additional 50% of Comtrac AS, now owning 100%. Additional 10% of Iceland Drilling, giving a total of 60% ownership by November 2024. The Iceland Drilling shares owned by Archer Norge AS was then sold to Archer Assets UK Ltd. in December 2024, pursuant to which, Archer Norge AS does not have an ownership interest in Iceland Drilling by year-end.

The two companies have been reclassified to related party in 2024.

Note 10 Long-term interest bearing debt

First Lien Facility

In April 2023, Archer entered into a first lien multicurrency term and revolving credit facility and guaranty facility with a tenor of 4 years (the "First Lien Facility"). The total amount available under the First Lien Facility is NOK 2,114.8 million, split between NOK 1,350.4 million under a term loan and NOK 764.4 million in revolving facilities, supplemented with a NOK 132 million guarantee facility. In addition, a total of NOK 254.8 million of the First Lien Facility is carved out into an overdraft facility of NOK 254.8 million. A total of NOK 2,114.8 million was drawn under the First Lien Facility as at December 31, 2024. The First Lien Facility is secured by pledges over shares in material subsidiaries, assignment over intercompany debt and guarantees issued by the material subsidiaries.

The interest on the loan is Secured Overnight Financing Rate, or "SOFR" + a margin of between 300 – 550 basis points, depending on the leverage ratio.

The guarantee facility has been used towards issuance of letters of credit and tax guarantees.

The First Lien Facility will be repaid by NOK 113.4 million in the first year, NOK 170.1 million in the second year, NOK 226.7 million in the third year (with an additional NOK 56.7 million becoming payable if the Group's free liquidity reaches a defined threshold), and NOK 283.4 million plus a balloon payment in the fourth year.

The Facility contains certain financial covenants, including, among others:

- Archer will ensure that the ratio of net interest-bearing debt (after certain adjustments) to 12 months rolling Nominal EBITDA (after certain adjustments) at the financial quarter end dates shall not exceed 4.9x; from December 31, 2024 to September 30, 2025 shall not exceed 4.70x; from December 31, 2025, to September 30, 2026, shall not exceed 4.6x; and 3.7x thereafter.
- Archer shall maintain NOK 340 million in freely available cash and undrawn committed credit lines.
- Archer shall ensure that the capital expenditures shall not exceed NOK 1,133.7 million per year.

The First Lien Facility contains events of default which include payment defaults, breach of financial covenants, breach of other obligations, breach of representations and warranties, insolvency, illegality, unenforceability, curtailment of business, claims against an obligor's assets, appropriation of an obligor's assets, failure to maintain exchange listing, material adverse effect, repudiation and material litigation. In addition, there are cross default clauses in the event of the obligor defaulting on other issued debt.

As of December 31, 2024, the Company is compliant with all covenants under this First Lien Facility.

Second Lien Bond

In April 2023, Archer's indirectly wholly owned subsidiary, Archer Norge AS, issued NOK 2,038 million senior secured second lien bonds with a tenor of 4.25 years (the "Second Lien Bond"). 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 (or "PIK") interest. The PIK interest is settled by issuing additional bonds to the bondholders. The additional issued bonds will have the same terms as the original issued bonds and be added to the total amount of bonds outstanding. During 2024, bonds with face value totalling NOK 120 million were issued in settlement of PIK interest, and the total amount of bonds issued is hence NOK 2,441.9 million as per December 31, 2024.

The Company has an option to redeem the bonds at (i) the make-whole price for the first 2.25 years, (ii) at 106% of the nominal amount after 2.25 years until 3.25 years, and (iii) at 100% after 3.25 years. The Second Lien Bonds shares the same security as the First Lien Facility, subject to the senior status of the First Lien Facility. The Second Lien Bonds contains certain financial covenants, including, among others:

- The Company shall ensure that the free liquidity of the Group is at all times the highest of NOK 340 million and 6.00 percent of gross interest-bearing debt.
- The Company shall ensure that the capital expenditure of the Group (on a consolidated basis) measured at the end of each financial year shall not exceed NOK 793 million.

As of December 31, 2024, the Company is compliant with all covenants under this Second Lien Bond.

Note 11 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, 2024	December 31, 2023
Archer Ltd (BM)	997.6	94.8
Archer AS	397.4	304.0
Archer Oiltools AS	127.2	102.2
Archer DLS Corporation (BVI Company)	45.0	-
Archer Assets UK Ltd	28.8	20.5
Archer (UK) Ltd	21.0	15.4
DLS Archer Ltd SA	-	85.8
Other related parties	47.7	45.5
Total	1,664.7	668.2

Long term related party receivables - Parent Company

(In NOK millions)	December 31, 2024	December 31, 2023
Archer Assets UK Ltd	1,414.9	1,109.2
Archer Well Company Inc.	1,338.0	1,271.5
Archer Oiltools AS	338.0	294.1
DLS Archer Ltd SA	175.9	194.7
Other related parties	72.4	42.5
Total	3,339.3	2,912.0

Due to inability to pay interest Archer Norge AS waives its rights to charge interest for loans related to DLS Archer Argentina Fluidos and DLS Archer Ltd SA for 2024.

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

Long term receivables from associated companies - Parent Company

(In NOK millions)	December 31, 2024	December 31, 2023
Comtrac AS	-	9.7
Iceland Drilling Company	-	-
Total	-	9.7

In 2024 Archer Norge bought additional 50% of Comtrac AS and additional 10% of Iceland Drilling. The two companies have been reclassified to related party in 2024.

Short term related party debt - Parent Company

(In NOK millions)	December 31, 2024	December 31, 2023
Archer AS	753.2	49.5
Archer (UK) Ltd	330.6	-
Archer Ltd (BM)	173.1	152.0
Archer Oiltools AS	83.1	-
Archer Wind AS	18.7	-
Archer Well Company Inc.	17.4	12.9
Archer Consulting AS	14.4	-
Archer BCH Ltd	1.5	85.8
DLS Archer Ltd SA	-	122.3
Other related parties (Net Cash Pool)	3.5	245.6
Total	1,395.5	668.2

Long term related party debt - Parent Company

(In NOK millions)	December 31, 2024	December 31, 2023
Archer Well Company (Australia) Pty Ltd	28.5	23.5
Total	28.5	23.5

Archer Norge Group has the following related party balances

Short term related party receivables - Archer Norge Group

(In NOK millions)	December 31, 2024	December 31, 2023
Archer Ltd (BM)	244.4	94.8
DLS Argentina Limited Suc Argentina	193.9	197.3
Archer DLS Corporation (BVI Company)	129.8	24.7
Archer UK Ltd Abu Dhabi Branch	79.3	-
Archer Oiltools LLC	76.8	28.5
Archer (UK) Ltd	85.1	40.8
Archer DLS Corporation Surcursal Bolivia	31.1	53.8
Archer Assets UK Ltd	25.9	20.5
Archer Well Company (Australia) Pty Ltd	11.8	4.5
Archer Well Company (Malaysia)	3.9	24.1
Other related parties	67.0	59.1
Total	948.8	552.1

Long term related party receivables - Archer Norge Group

(In NOK millions)	December 31, 2024	December 31, 2023
Archer Assets UK Ltd	1,414.9	1,109.2
Archer Well Company Inc.	1,338.0	1,271.5
Archer Well Company (M) Sdn Bhd.	8.5	25.0
Other related parties	1.1	26.2
Total	2,762.6	2,432.1

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 2024. The receivables related to DLS Argentina Fluidos is per 31.12.2024 written down by NOK 25.479.833.

Long term receivables from associated companies - Archer Norge Group

(In NOK millions)	December 31, 2024	December 31, 2023
Comtrac AS	-	9.7
Iceland Drilling Company	-	-
Total	-	9.7

Short term related party debt - Archer Norge Group

(In NOK millions)	December 31, 2024	December 31, 2023
Archer BCH (Canada) Ltd	362.6	85.8
Archer (UK) Ltd	334.2	-
Archer UK Ltd Abu Dhabi Branch	181.9	11.3
Archer Ltd (BM)	173.1	152.0
DLS Argentina Limited Suc Argentina	23.9	-
Archer Well Company Inc.	21.4	12.9
Abrado Inc.	11.2	-
Other related parties	50.6	9.8
Total	1158.9	271.8

Long term related party debt - Archer Norge Group

(In NOK millions)	December 31, 2024	December 31, 2023
Archer Well Company (Australia) Pty Ltd	28.5	23.5
Total	28.5	23.5

Note 12 Cash and Cash Equivalents

Restricted cash arising from advance employee tax withholdings:

- Archer Norge AS 15.4 millions.
- Archer Norge Group 41.0 millions.

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

Note 13 Shareholders and Equity
Share Capital

The company's share capital is NOK 1,268,850,000 divided into 12,688,500 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 Archer Norge AS

(In NOK millions)	Share Capital	Share Premium	Other Paid-in Capital	Other Equity	Total Shareholders' Equity
Equity as at 01.01.2024	1,168.9	1,148.0	19.0	(783.4)	1,552.4
Additional paid in capital	100.0	-	200.0	-	300.0
Net income	-	-	-	70.0	70.0
Stock options	-	-	0.1	-	0.1
Equity as at 31.12.2024	1,268.9	1,148.0	220.0	(713.4)	1,923.4

Equity change for Archer Norge Group

(In NOK millions)	Share Capital	Share Premium	Other Paid-in Capital	Other Equity	Total Shareholders' Equity	Non-controlling interest
Equity as at 01.01.2024	1,168.9	1,148.0	18.5	(2,238.9)	97.0	-
Additional paid in capital	100.0	-	200.0	-	300.0	-
Non-controlling interests acquired	-	-	-	-	-	4.3
Net income	-	-	-	(101.7)	(101.7)	(2.1)
Stock options	-	-	-	1.3	1.3	-
Translation difference	-	-	-	19.8	19.8	-
Equity as at 31.12.2024	1,268.9	1,148.0	218.5	(2,319.0)	316.5	2.3

Note 14 Guarantees, pledges, etc.

Archer Limited and certain of its subsidiaries - including Archer Norge AS, have entered into a NOK 2,649.7 million first lien multicurrency term and revolving credit facility and guaranty facility (the "First Lien Facility") and Archer Norge AS has issued a NOK 2,038.3 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 15 Other Short Term Receivables

Our other noncurrent assets are composed of the following:

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2024	2023		2024	2023
51.2	32.6	Prepaid expenses	81.4	70.8
35.3	8.1	VAT and other taxes receivables	90.6	38.5
4.0	5.9	Reimbursements	30.6	87.2
1.9	11.5	Other short term receivables	10.0	23.8
92.4	58.1	Total short term receivables	212.6	220.3

Note 16 Other Current Liabilities

Our other current liabilities are comprised of the following:

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2024	2023		2024	2023
126.7	112.7	Accrued interest	126.9	113.4
16.4	3.3	Accrued expenses	224.5	236.5
49.2	43.2	Accrued salaries	198.1	173.0
65.2	11.1	Other current liabilities	256.7	119.9
257.6	170.3	Total other current liabilities	806.2	642.8

Note 17 Goodwill

Goodwill represents the excess of purchase price over the fair value of tangible and identifiable intangible assets acquired, which relates primarily to intangible assets pertaining to the acquired workforce and expected future synergies. In the table below the period end balances and periodic movements have been allocated to our new reporting segments.

(In NOK millions)	December 31, 2024		
	Goodwill	Badwill	Net Value
Value at beginning of year	-	-	-
Goodwill acquired during the year	52.8	(27.0)	26.6
Translation adjustments	0.7	-	-
Accumulated goodwill acquired 31.12	53.5	(27.0)	26.6
Accumulated depreciation 01.01	-	-	-
Depreciation	(6.2)	1.8	(4.3)
Accumulated depreciation 31.12	(6.2)	1.8	(4.3)
Net book balance at end of year	47.4	(25.1)	22.2
Estimated economic useful life	5 Years	5 years	

We test goodwill for impairment on an annual basis during the fourth quarter and between annual tests if an event occurs, or circumstances change, that would more likely than not reduce the fair value of a reporting unit below its carrying amount.

The testing of the valuation of goodwill can involve significant judgement and assumptions to be made in connection with the future performance of the various components of our business operations, including assumptions about future cash flows of each reporting unit, discount rates applied to these cash flows and current market estimates of value. Based on the uncertainty of future revenue growth rates, gross profit performance, and other assumptions used to estimate our reporting units' fair value, future reductions in our expected cash flows, should currently market conditions worsen or persist for an extended period of time, could lead to a future material non-cash impairment charge in relation to our remaining goodwill.

Comtrac AS

Since 2020 Archer Norge AS has owned 50% of Comtrac AS, an entity set up for the development and ownership of well intervention technology. Since its inception, the investment in Comtrac AS has been accounted for using the equity method of consolidation. On September 4, 2024 Archer Norge AS purchased the other 50% of the company from the only other shareholder, IKM Gruppen AS. Following the attainment of 100% ownership of Comtrac AS Archer is able to directly commission the building of rods (which are the ComTrac technology) which are utilised in the provision of well services to our customers.

The carrying value of Archer's 50% investment in Comtrac AS prior to the additional investment was NOK 5.0 million. This was increased by the purchase consideration of NOK 4.0 million which was paid to IKM for its 50% shareholding in Comtrac AS. Bringing total carrying value of the investment to NOK 9.0 million. In addition, we have a long-term loan receivable from Comtrac, at acquisition date, of NOK 27.9 million, bringing total carrying value of the investment to NOK 36.9 million.

The fair value of the assets acquired at the acquisition date of September 4, 2024, were as follows:

Fair value of assets acquired (preliminary)

	(In NOK millions)
Cash	0.4
Receivables	0.7
Intangible assets	48.7
Deferred tax assets	19.0
Accounts payable and accrued expenses	(5.4)
Balance due to lease finance	(2.7)
Total fair value of assets acquired	60.7

The intangible assets reflect the value of the ComTrac technology including the patents for the technology and the use of the ComTrac brand name.

Upon acquisition of a controlling financial interest we have revalued our investment in Comtrac AS to reflect its fair value at acquisition. The excess of the fair value over our carrying was NOK 23.9 million. This is reflected as an increase in the carrying value of our investment in the equity of Comtrac AS and a goodwill is recognized in the balance.

ADA Argentina SRL

On July 31, 2024, Archer Norge's fully owned Argentine subsidiaries completed the purchase ADA Argentina SRL, (or ADA), from an unrelated third party, Air Drilling Associated. ADA performs drilling services in Argentina through the operation of managed pressure drilling (or MPD) equipment. Archer's customers in Argentina are increasingly requiring the suites of services provided by ADA to be provided by alongside land drilling services already provided, so the ADA business compliments Archer's operations and facilitates the offering of integrated services by Archer.

Purchase consideration of \$5.6 million consisted of an upfront payment of \$0.3 million, a payment for working capital of \$0.5 million (this figure is subject to review and possible revision) and a balance payment of \$4.8 million payable by agreed monthly installments over the 27-month period ending October 31, 2026.

The fair value of the assets acquired at the acquisition date of July 31, 2024, were as follows:

Fair value of assets acquired (preliminary)

	(In USD millions)	(Equivalent to NOK millions)
Cash	0.2	2.2
Receivables	2.5	27.2
Inventory	0.4	4.8
Deferred tax assets	0.2	2.4
Tangible fixed assets	1.9	21.2
Payables	(1.4)	(15.7)
Total fair value of assets acquired	3.9	39.7

The NOK 18.4 million excess of the purchase consideration over the fair value of the assets is recognized as goodwill, which represents the assembled workforce and experience and know how acquired.

Moreld Ocean Wind AS

On July 1, 2024 Archer Norge completed the acquisition of Moreld Ocean Wind AS, subsequently re-named Archer Wind AS (or Archer Wind), from an unrelated company. Archer Wind is developing an offshore floating wind foundation, and is currently managing the development of a prototype installation under a contract with Total Energies using unique technology provided under a collaboration agreement with Ocergy Inc., a US technology and solutions provider. The purchase is part of Archer's diversification into renewable energy. The acquired workforce with experience and know-how in this sector is augmented by Archer's engineering skills and industry knowledge.

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The sale and purchase agreement provided that Archer purchased 100% of the issued and fully paid up shares for a consideration of NOK 9.5 million payable in two equal installments due December 31, 2024 and November 30, 2025.

The fair value of the assets acquired at the acquisition date of July 1, 2024 were as follows:

Fair value of assets acquired (preliminary)

	(In NOK millions)
Receivables	47.2
Tangible fixed assets	0.1
Licences	8.2
Shares in Ocergy	21.1
Deferred taxes	25.0
Accounts payable	(7.5)
Accruals, deferred income and other payables	(71.8)
Total fair value of assets acquired	22.4

The difference of NOK 3.1 million between the purchase consideration and the fair value of the bet assets acquired is recognized as a badwill in the balance.

Vertikal Services AS

On May 6th, 2024 we completed the acquisition of 65% of the shares in Vertikal Service AS. (or "Vertikal"), an unrelated company who offers inspection, installation, and maintenance services to energy customers using advanced industrial rope access techniques on complex structures such as offshore and onshore wind turbines, hydropower stations, and offshore oil and gas installations. The purchase is part of Archer's diversification into the renewable energy sector, by the acquisition of projects in the wind and hydro generated power segment and a workforce with experience and know-how in this sector, which is augmented by Archer's engineering skills and industry knowledge.

The sale and purchase agreement provided that Archer purchased 1000 of the 2000 issued and fully paid up shares for a consideration of NOK 25 million. In addition, as part of the agreement, Archer made a capital contribution in kind to Vertikal, consisting of a transfer of Archer business, by the transfer of the relevant employees, the customer contract which is currently serviced by the individuals transferred, and associated resources, to Vertikal. In return for the capital contribution, Archer received 858 newly issues shares which brought Archer's total shareholding in Vertikal to 65%.

Deferred consideration up to NOK 10 million is payable no later than 31 March 2027 and is based on achieving various levels of EBITDA. We have estimated the fair value of the deferred consideration to be NOK 1.5 million. Total purchase consideration recognised by Archer as investment in subsidiary totalled NOK 26,500,000 comprising NOK 25.0 million for the purchase of 1000 shares form the existing shareholders and NOK 1.5 million for the deferred consideration.

The fair value of the assets acquired at the acquisition date of May 6, 2024 were as follows:

Fair value of assets acquired (preliminary)

	(In NOK millions)
Cash	9.2
Receivables	36.2
Tangible fixed assets	4.6
Loan finance	(4.4)
Accounts payable	(22.1)
Accruals and other payables	(27.6)
Total fair value of assets acquired	(3.9)

The business contributed as capital has been valued at NOK 21.45 million, and the fair value resulting non-controlling interest of 35% of Vertikal is estimated to be NOK 4 million. On consolidation of Vertikal into the Group financial statements we have recognised goodwill of NOK 34.4 million which represents the assembled workforce and experience and know-how acquired, and synergies.

Iceland Drilling Company Ltd.

In 2022, as part of Archer's energy transition strategy, Archer Norge invested in a 50% share of Iceland Drilling, an international geothermal drilling and integrated service company Headquartered in Iceland. The investment has been reposted as an investment in associated companies and consolidated using the equity method.

During the fourth quarter of 2024 we have acquired an additional 10% of the company which, along with some changes to the shareholders' agreement between Archer and the other shareholders of Iceland Drilling, resulted in the acquisition of a controlling interest in Iceland Drilling. Purchase consideration for the additional shares took the form of newly issued shares in Archer Ltd. with a value of NOK 27.6 million. In addition, we have recognised additional purchase consideration of NOK 15.6 million, which may also be settled by the issue of Archer Ltd shares under a Purchase adjustment clause in the purchase agreement. The purchase price adjustment is contingent on various metrics, including future earnings and market value of Iceland Drilling and Archer. The contingent consideration is recognised as a liability since there is a possibility that it may be settled in cash.

On the attainment of controlling financial interest we reclassified our investment as an investment in a consolidated subsidiary, recognised a non-controlling interest at fair value and adjusted the carrying value of our investment to fair value. No goodwill has been recognised in respect of this acquisition.

In December 2024 Archer Norge AS sold the shares in Iceland Drilling Company Ltd to Archer Assets UK for a total consideration of USD 15 million, leading to a loss in the income statement of NOK 5.4 million.

Note 18 Part of Archer Norge group

Archer Norge group companies and ownership interests

Company	Country of incorporation	Direct and indirect shareholding and voting rights
Archer Norge AS	Norway	100%
Archer AS	Norway	100%
Archer Oiltools AS	Norway	100%
Archer Consulting AS	Norway	100%
Archer Wind AS	Norway	100%
Comtrac AS	Norway	100%
Archer Poland Sp. z O.O	Poland	100%
Ziebel US Inc	United States	100%
DLS Archer Ltd. S.A.	Argentina	100%
DLS Argentina Fluidos S.A.	Argentina	100%
ADA Argentina SRL	Argentina	95%
Vertikal Service AS	Norway	65%

Note 19 Subsequent Events

On February 6, 2025 Archer announced the placement of a new 5 year USD 425 million senior secured bond, carrying a coupon of 9.5%. The new bond was issued on February 24th by Archer Norge AS. The proceeds from the bond issuance were applied towards the full repayment of the First Lien Facility and the Second Lien Bond.

In connection with the bond issuance, Archer Limited and certain of its subsidiaries - including Archer Norge AS, established a \$75 million revolving credit facility, ranking super senior to the bonds.