

A woman with blonde hair tied back, wearing safety glasses and a black high-visibility vest with yellow reflective stripes. The vest has the 'Archer' logo on the chest. She is smiling and looking towards the camera. The background is a blurred industrial setting with metal structures and pipes.

Archer

Q1 2025 results

15 May 2025

Archer



Disclaimer – forward looking statements

Cautionary Statement Regarding Forward-Looking Statements

In addition to historical information, this presentation contains statements relating to our future business and/or results. These statements include certain projections and business trends that are “forward-looking.” All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements, including statements preceded by, followed by or that include the words “estimate,” “pro forma numbers,” “plan,” “project,” “forecast,” “intend,” “expect,” “predict,” “anticipate,” “believe,” “think,” “view,” “seek,” “target,” “goal” or similar expressions; any projections of earnings, revenues, expenses, synergies, margins or other financial items; any statements of the plans, strategies and objectives of management for future operations, including integration and any potential restructuring plans; any statements concerning proposed new products, services, developments or industry rankings; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing. Financials figures presented for 2025 are unaudited.

Forward-looking statements do not guarantee future performance and involve risks and uncertainties. Actual results may differ materially from projected results due to certain risks and uncertainties. Further information about these risks and uncertainties are set forth in our most recent annual report for the year ending December 31, 2024. These forward-looking statements are made only as of the date of this press release. We do not undertake any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

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

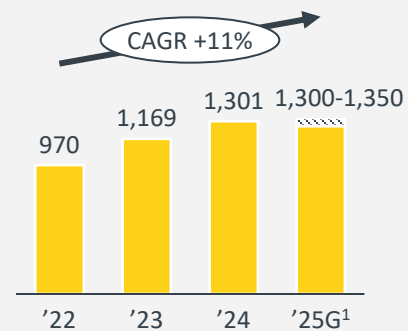


Archer

The Well Company

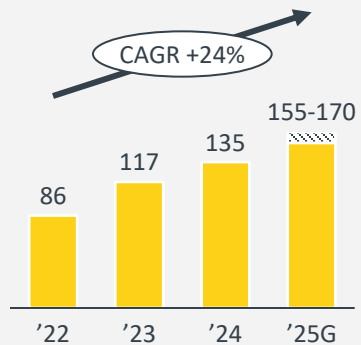
Revenue

\$m



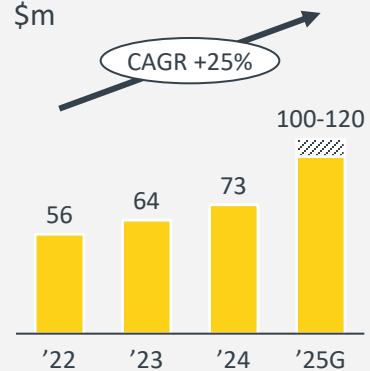
EBITDA

\$m

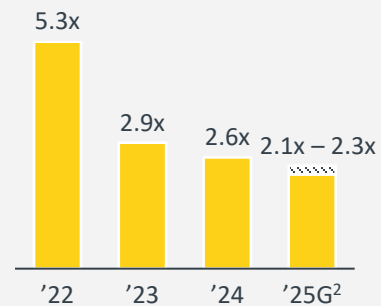


Cash contribution

\$m



Leverage ratio

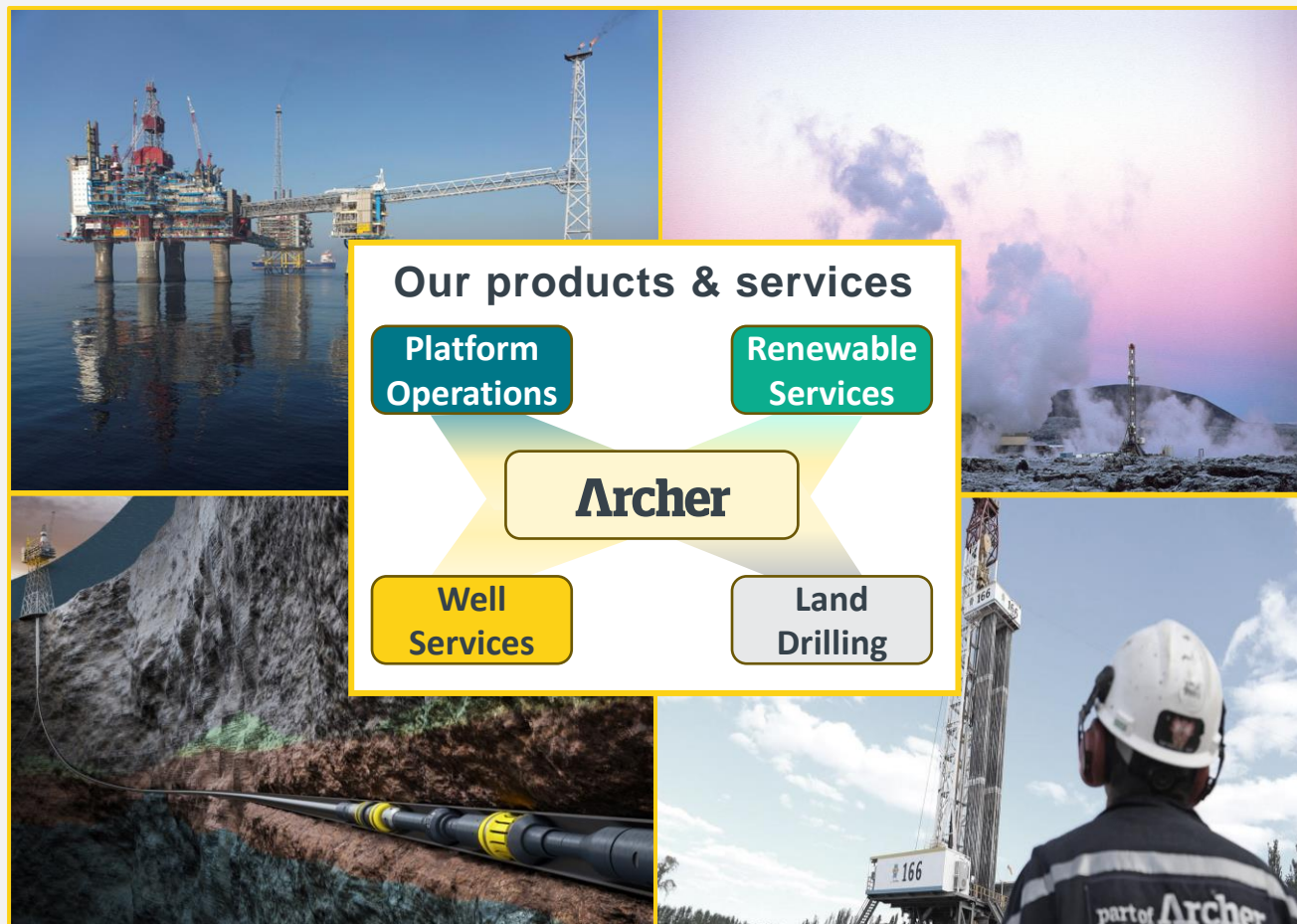


■ EBITDA - Capex

■ Reported NIBD/adj. EBITDA

¹ Revised guidance ² Excludes shareholder distributions

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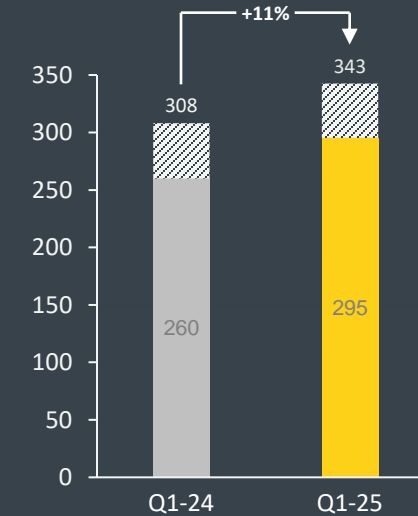
Q1 Highlights

- ✓ Q1 Revenue of \$342.5 million; up 11% YOY
- ✓ Q1 EBITDA of \$33.5 million, up 9% YOY
- ✓ Quarterly cash distribution to shareholder of \$5.5 million
- ✓ Awarded 7-year subsea P&A frame agreement with Equinor (\$150m),
- ✓ WFR awarded multi-year contract to supply fishing in US GoA (\$50m)
- ✓ Successful placement of 5-year USD 425 million senior secured bond

Subsequent events

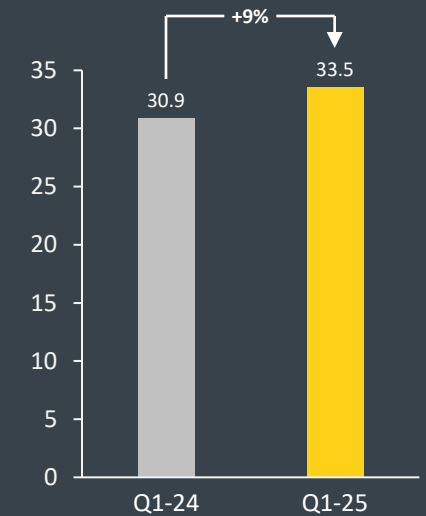
- ✓ Awarded late-life operations and P&A for Repsol's in UK (\$150m)
- ✓ Renewed pulling and workover contract with PAE (\$210m)

Revenue (\$m)

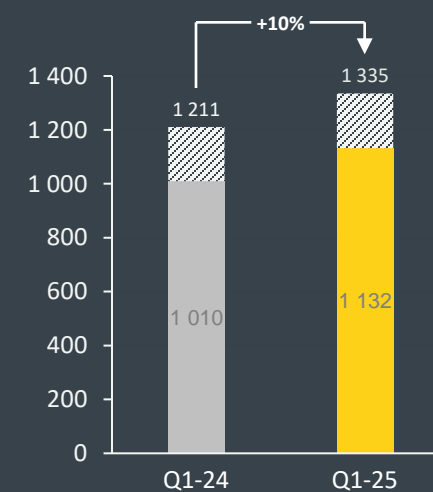


Reimbursable Operational revenue

EBITDA (\$m)

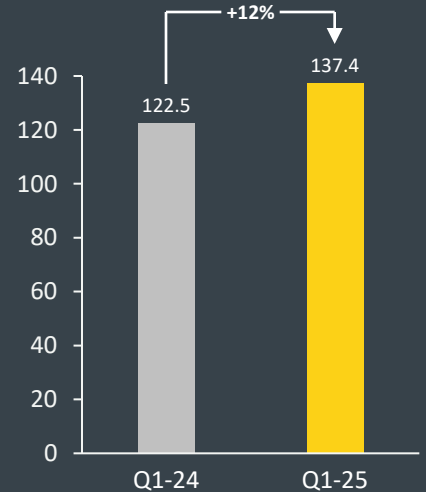


LTM Revenue (\$m)



Reimbursable Operational revenue

LTM EBITDA (\$m)





Archer to pay \$5.5 million in cash distribution in Q2, equal to ~11% annual yield

First cash distribution in May



May cash distribution

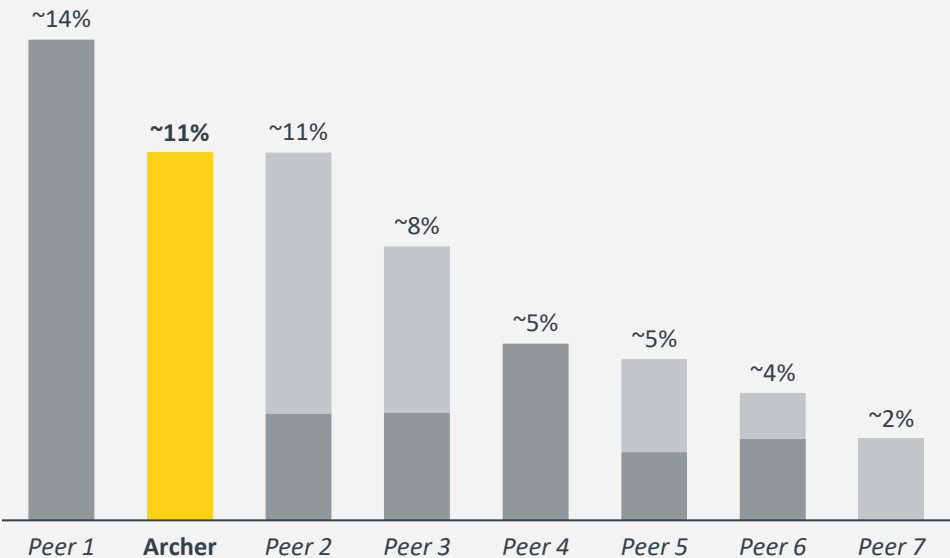
- ✓ **Payout per share:** NOK 0.63 per share
 - ✓ **Total distribution:** Approx. \$5.5 million
 - ✓ **Payment date:** On or around May 28th, 2025
 - ✓ **Planned frequency:** Quarterly
-
- ✓ This marks the initiation of Archer’s announced shareholder return program
 - ✓ Target to increase cash distribution to shareholders over time, in line with growth in earnings

Significant milestone for Archer’s shareholders

Archer with attractive direct yield

Cash distribution yield for comparable companies¹

Share buybacks
Dividends



11% annual yield to shareholders at current share price

¹ Per 14.05.2025. Forward annual dividend yield plus share buyback yield, as reported by Morningstar. Sample include peers within Platform Operations and Well Services (Odyssey Technology, SLB, Halliburton, Weatherford, H&P (KCA Deutag), Baker Hughes, Expro) . Source: Morningstar Inc.



Archer is positioned in resilient brownfield and energy transition market segments

Main market exposure: ~90% of Archer revenue

Greenfield operations



Services for exploratory wells and well construction equipment

Brownfield operations

Late life production



- ✓ Services to optimize production in existing fields that has the lowest cost per barrel
- ✓ Brownfield forms the backbone of our client's cash flow, funding investments and shareholder returns
- ✓ Least cyclical part of O&G production, securing long-term, stable demand for our services

Energy transition

Well P&A and decommissioning



- ✓ Services to plug and abandon wells as oil fields reach end of life
- ✓ Archer with one of the broadest P&A tool portfolios
- ✓ Activity driven by mature fields and increased legislation
- ✓ Significant number of wells to be abandoned next 5-10 years, particularly in the UK

Renewables



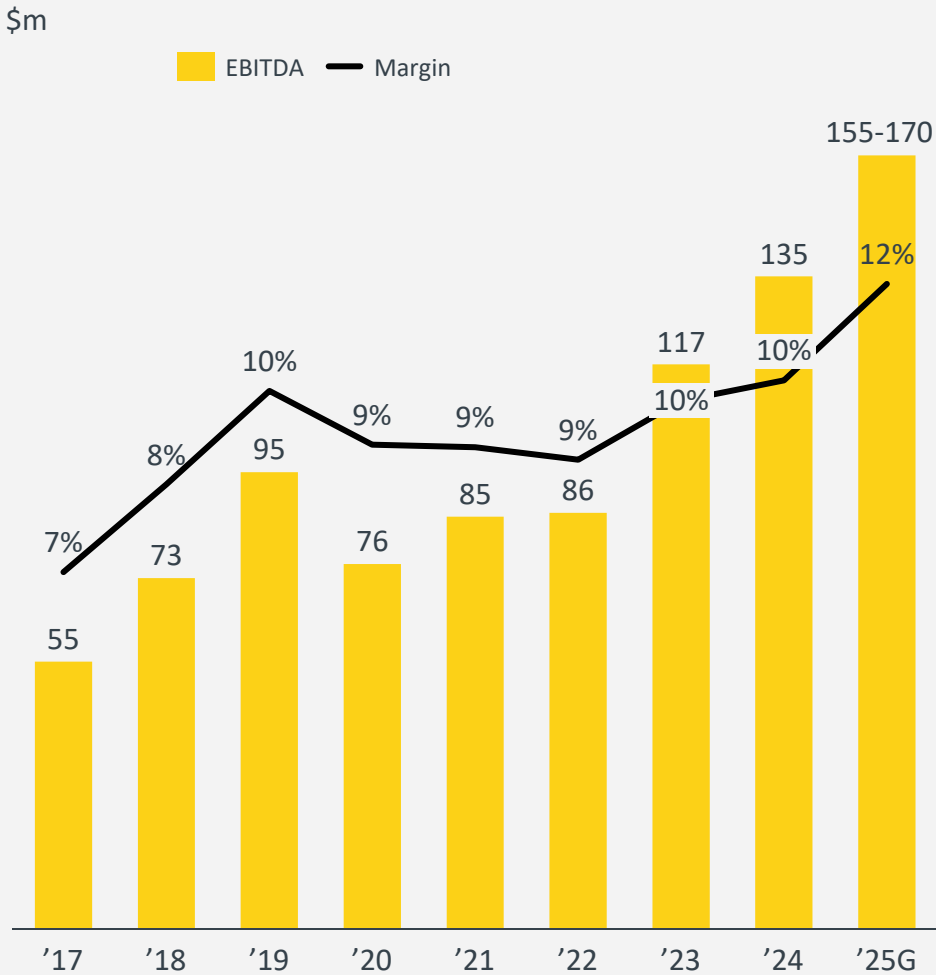
Services to the geothermal industry and other renewables segments

Resilient business model through exposure to the least cyclical parts of the O&G industry



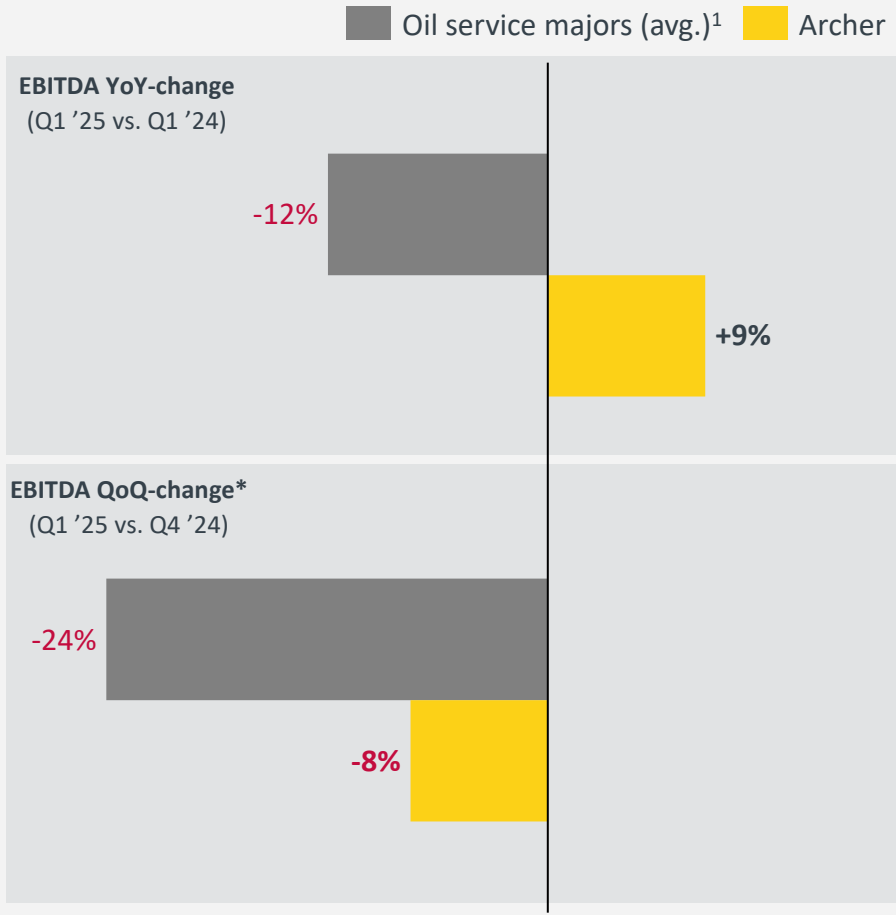
Archer's EBITDA remains robust throughout the market cycles

Robust historical EBITDA



Strong Q1 vs. global oil service majors

EBITDA Q1 2025 relative performance



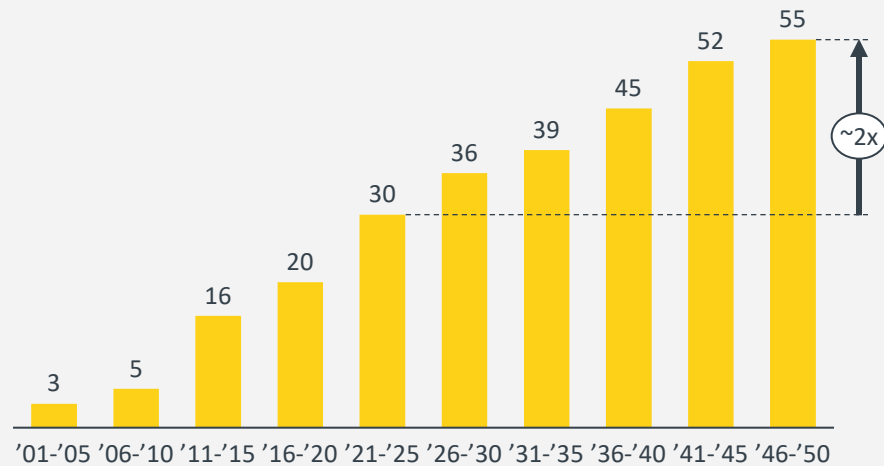
¹ Simple average of reported adj. EBITDA by Halliburton, Weatherford, Baker Hughes OFSE segment, SLB and Expro. Due to no reported EBITDA, Halliburton's EBITDA is calculated as operating income plus DDA (depreciation, depletion and amortization). Source: Public company reports (Q1 2025)

Strong market outlook for Archer's P&A services

Global offshore decommissioning/P&A market outlook

Global offshore decom. spending set to double by 2050

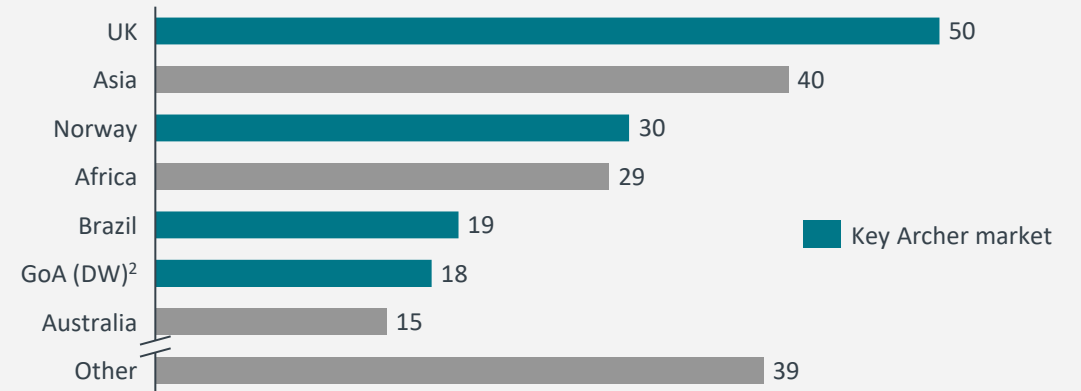
E&P abandonment costs 2001-2050, \$bn



- Global offshore decom market set to grow substantially from historic levels
- Approximately 50% of decom cost is well P&A
- About 1/4th of offshore decom spending is related to subsea wells¹

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

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



- UK largest decom market with already high activity
- Approximately 35% of global decom liability is in the North Sea, Archer's home market
- Archer also with a strong and growing presence in key offshore regions Brazil and Gulf of America

¹ Fields with no offshore topside facilities, as defined by Rystad. ² Gulf of America deepwater (>125m water depth). Source: Rystad Energy



Adding more than \$550 million in backlog – resilience and visibility

Contracts awarded	Estimated value ¹	Comments
Subsea P&A contract with Equinor	\$150 million	<p>7-year subsea P&A frame contract with Equinor</p> <ul style="list-style-type: none">• For P&A planning, engineering and execution of 27 subsea wells on Snorre and Heidrun• Frame agreement for further subsea P&A services• Planning and well engineering execution by the Archer-Elemental JV
Fishing contract in the US GoA	\$50 million	<p>3-year frame agreement renewal for a major deepwater operator in the Gulf of America</p> <ul style="list-style-type: none">• For the provision of fishing and thru-tubing fishing services• Two additional 1-year optional periods
Late life and P&A contract with Repsol	\$150 million	<p>5-year service contract for Repsol's UK platform portfolio, covering approximately 130 wells</p> <ul style="list-style-type: none">• Scope includes platform drilling services, facilities engineering, coil tubing, wireline services, and downhole well service solutions and technologies• The agreement includes a two-year optional extension
Contract renewal with Pan American Energy	\$210 million	<p>Renewal of contracts for pulling- and workover units in the south of Argentina</p> <ul style="list-style-type: none">• 9 pulling units and 8 workover units• Contract have been renewed for 3 years with options for two additional years

¹ Estimated value of frame agreements including options. Actual value of frame agreements will be linked to the actual workscope performed over the contract period.



Contract highlights



**Subsea P&A scope
a new service line for Archer**



**P&A on 27 subsea wells
on Snorre and Heidrun**



**7-year frame agreement for
further subsea P&A services¹**



**Benefitting from the Archer-
Elemental Joint Venture**



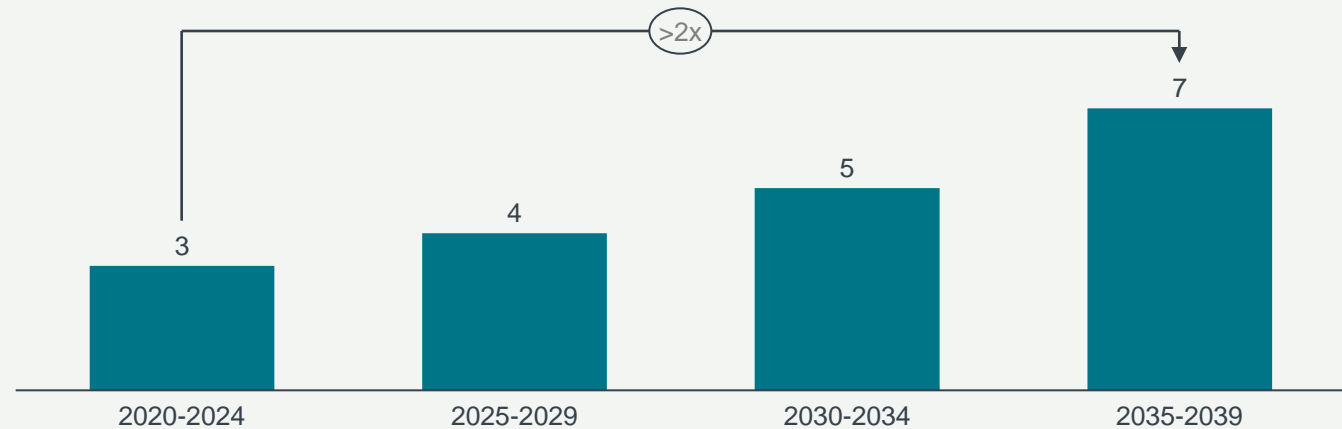
**Estimated \$150 million
contract value (incl.options)**

¹ For planning, engineering and execution of subsea well P&A

Milestone subsea well P&A contract with Equinor

Subsea P&A spending set to more than double

Global decom expenditures for subsea wells, offshore deepwater (\$bn) ²



- ✓ Subsea P&A wells have wellhead on ocean floor and are typically not connected to topside drilling facilities
- ✓ Large and growing segment, making up a meaningful share of overall P&A/decom spending
- ✓ New revenue stream for Archer, in which we are well positioned to grow as we develop solutions and technology
- ✓ SLB, Halliburton and Baker Hughes are main competitors

² Subsea wells: Fields defined by Rystad as having no offshore topside (mainly subsea tie-back or extended reach assets)

Source: Rystad Energy



Estimated \$150m contract with Repsol for late life and P&A services

Material late life and P&A scope in the UK

Scope to cover platform drilling, facilities engineering, coil tubing, wireline and downhole tools

Servicing Repsol's extensive platform portfolio, with P&A scope covering approx. 130 wells



Adding to Archer's growing P&A backlog

5-year service contract, with an additional two-year optional extension

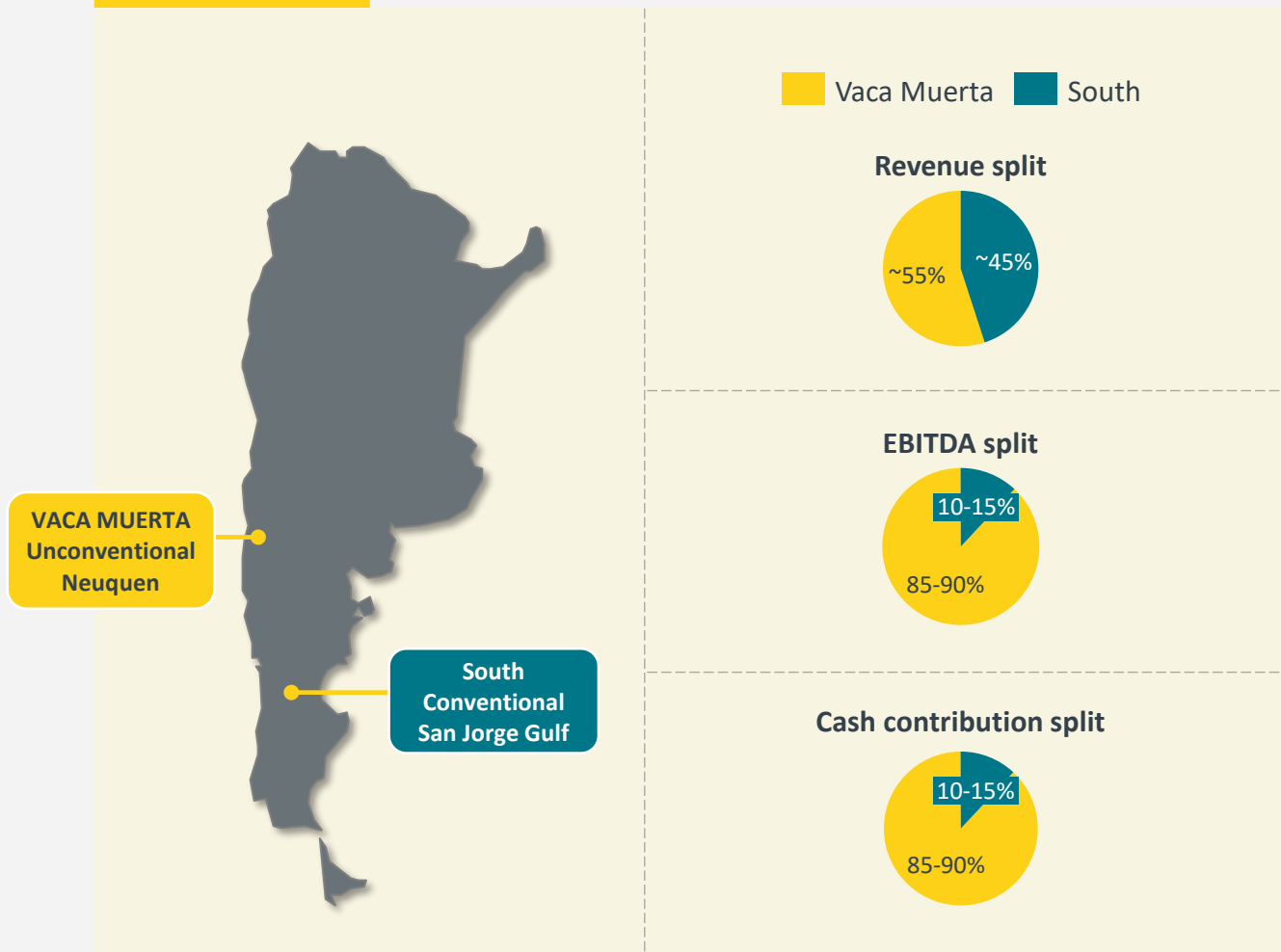
Estimated USD 150 million in contract value¹

Solidifying Archer's position as a trusted provider of integrated drilling and well services

¹ Estimated value of contract including options. Actual value will be linked to the actual workscope performed over the contract period

Favourable market backdrop in Vaca Muerta, but activity reduction in the south

Land Drilling activity by geography



Vaca Muerta – Unconventional Neuquen

- Vaca Muerta business accounts for ~55% of revenue and about 85-90% of EBITDA and cash contribution in Land Drilling
- Large ongoing projects to increase oil and gas export capacity and drive demand for drilling activity
 - Vaca Muerta Sur oil pipeline will, when finalized, allow for export of up to one million barrels per day
 - Oil companies and Golar LNG recently announced FID on the second FLNG vessel for LNG exports from Argentina

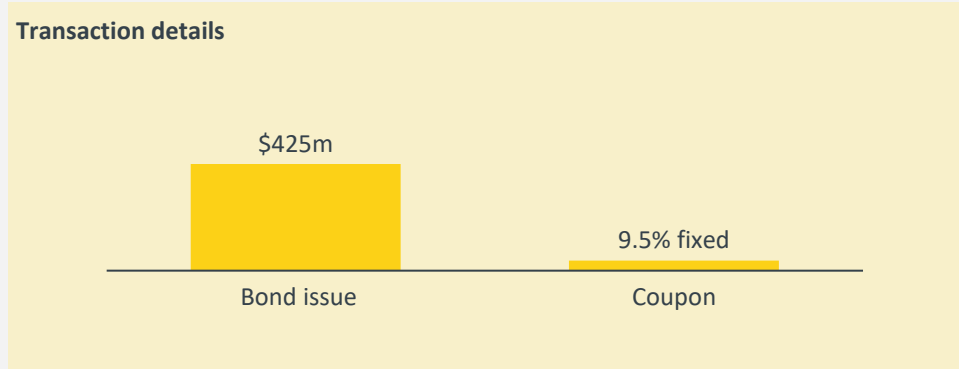
South – Conventional San Jorge Gulf

- Recent contract renewal with Pan American Energy estimated at a value of \$210m
 - 3-year contract for the services of 9 pulling units and 8 workover units, with the option of two additional years
- Reduced activity in the south region as investments are focused on the unconventional fields in Vaca Muerta
 - Land Drilling revenue is estimated to go down by about 20%, but limited impact on cash flow due to reduced overhead cost, and lower working capital and capex
 - Archer reducing headcount in the south by more than 500



Successful debt refinancing at improved terms in Q1

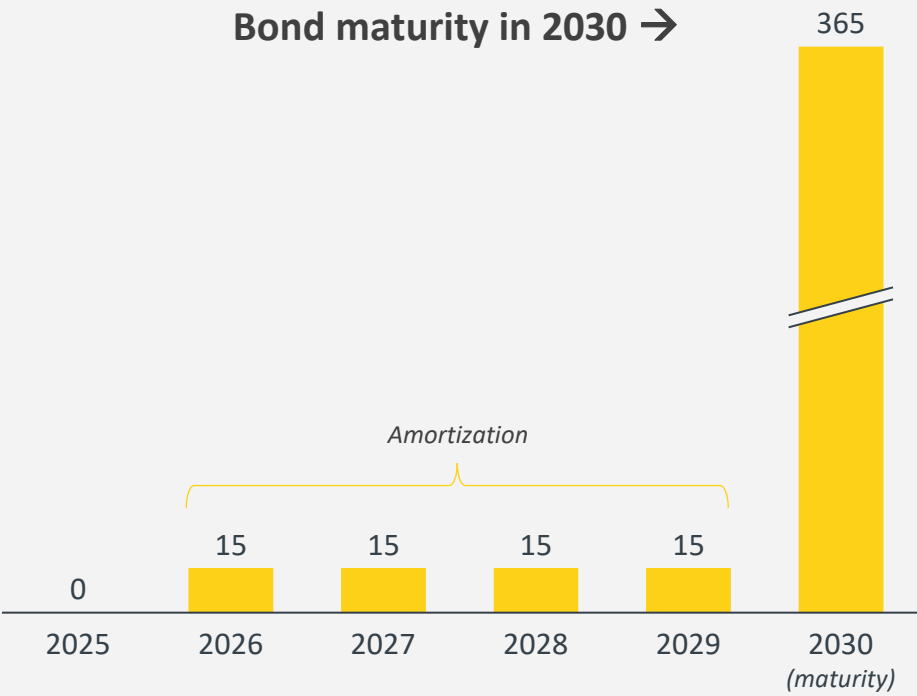
New \$425m senior secured bond



- Upsized from \$400m to \$425m due to high demand
- Five-year term pushing debt maturity to 2030
- Strong and broad base of international asset managers, with a long-only strategy
- Improved bond terms, setting up for shareholder returns

Outstanding debt schedule

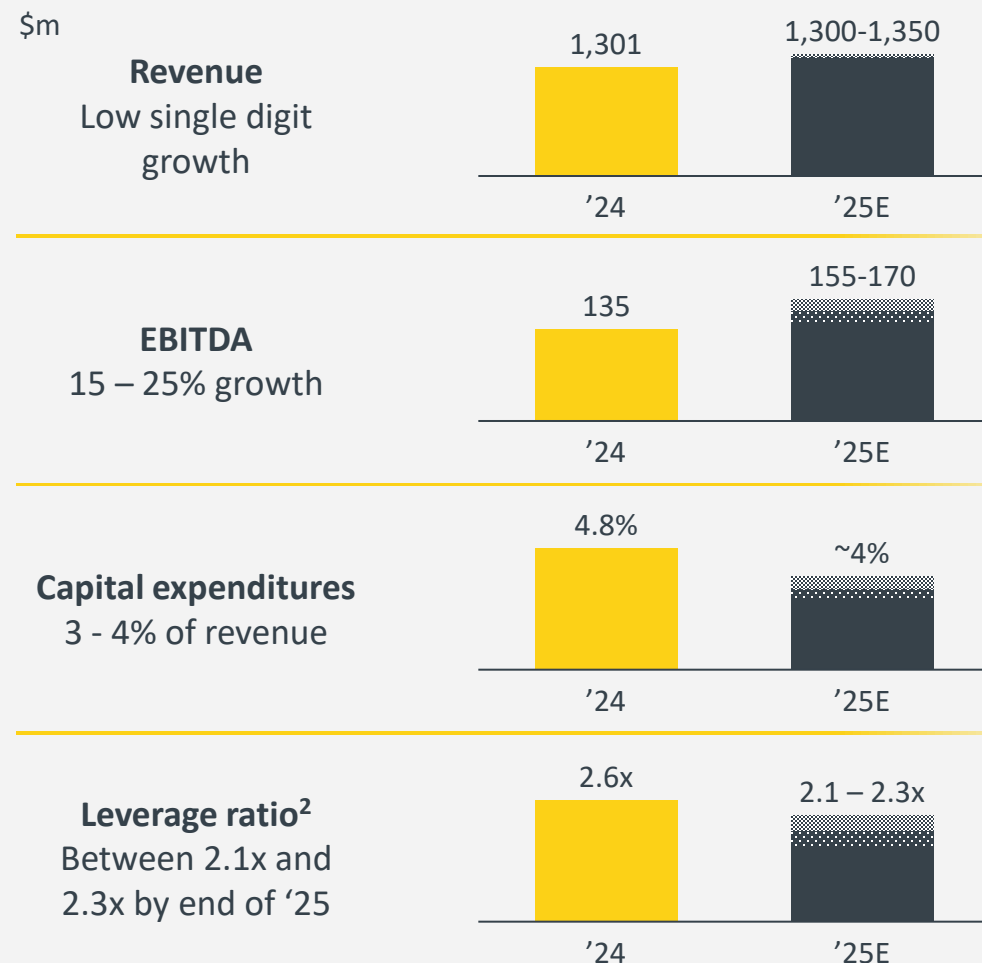
Scheduled debt repayments, \$m





Financial guidance for 2025 – minor changes to guiding for revenue and capex

'25 Financial estimates¹



Key takeaways

- Reiterate our financial guidance for 2025, with some minor adjustment
- Revenue set to increase by low single digits, following the reduction in Land Drilling activity for PAE
- Reiterate our EBITDA to increase by 15-25%
- Capex to be around 4% of revenue, following key investment in Pulling Unit for UK P&A market, offset by reduction in capex spending in Land Drilling South
- We expect second half of '25 to be stronger than first half, due to commencement of projects and seasonal activity
- Cash contribution allowing for debt servicing and further deleveraging
- Target to reach a leverage ratio of 1.5 - 2.0x over time

¹ All numbers estimates assume stable USD/NOK and GBP/USD and are estimated based on the financial guidance for '25.

² Reported NIBD/adj. EBITDA (excluding shareholder distribution)



The Well Company

Archer

I

Resilient business model with ~90% of revenues from stable brownfield operations and P&A

II

Strong and robust EBITDA development throughout the market cycles

III

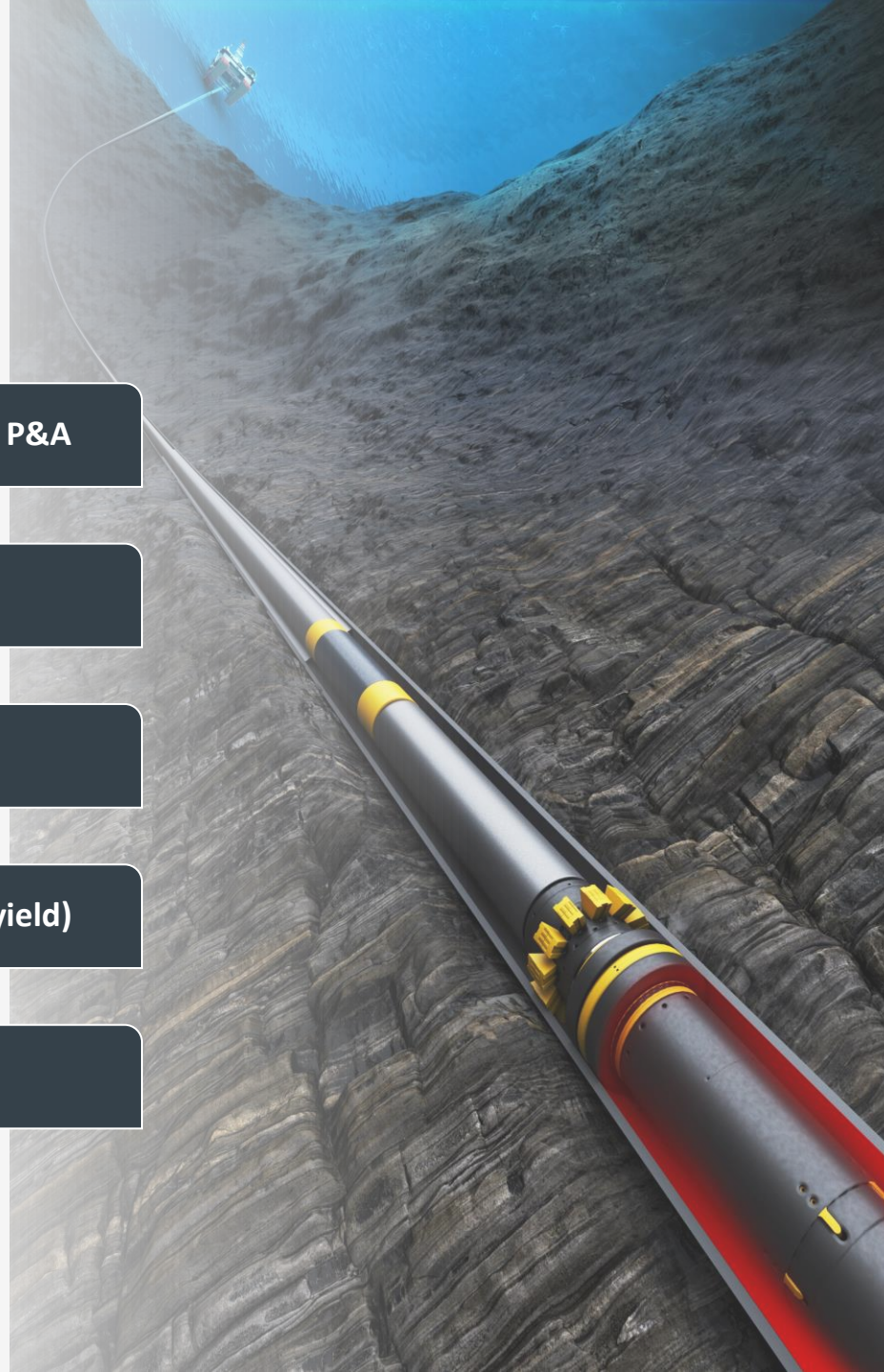
Robust and simplified balance sheet following successful \$425m bond refinancing

IV

Initiating shareholder return program, distributing \$5.5m to shareholders in Q2 (~11% yield)

V

EBITDA growth estimated to 15-25% in 2025

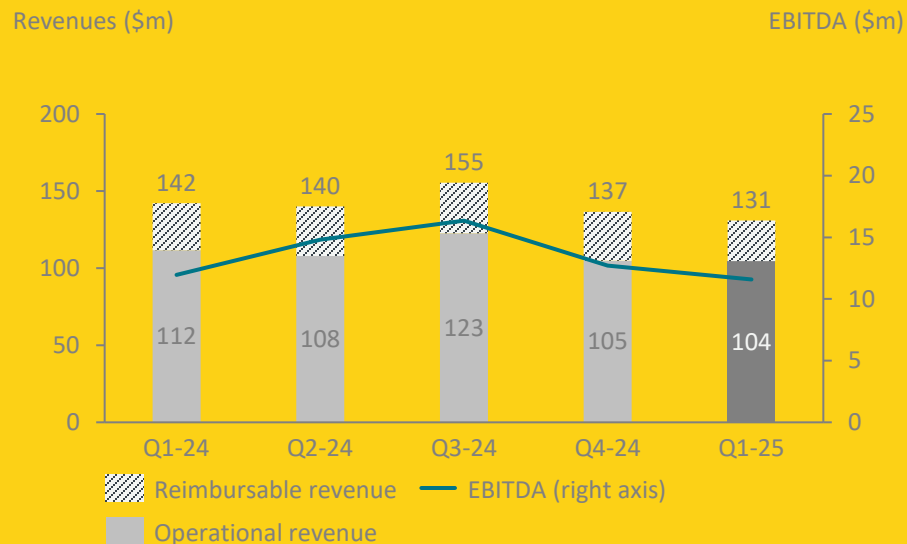




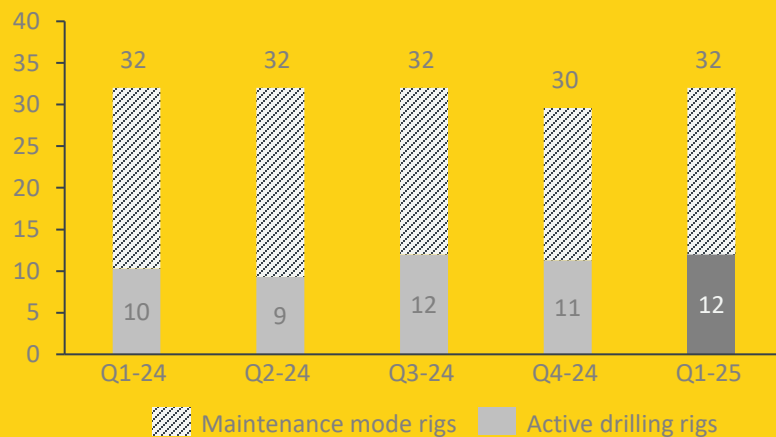
Appendix



Platform Operations



Platform Drilling contracted rigs [# of rigs]

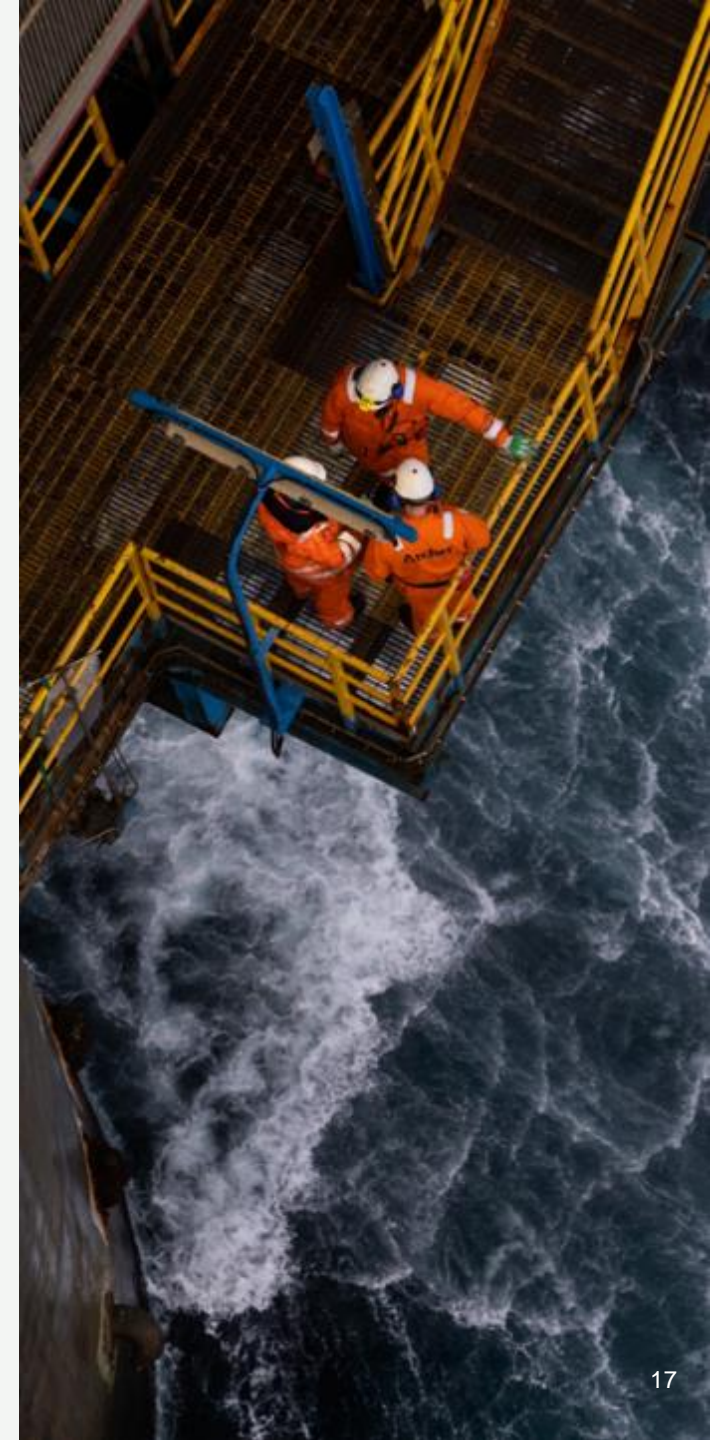


Financials

- Total revenue decreased by 4% from previous quarter, ending at \$131 million, which mainly relates to the reimbursable revenue with limited margins
- EBITDA of \$11.6 million reflects a minor reduction compared to Q4 due to some one-off recognized last quarter.
- EBITDA margin in-line with same quarter previous year

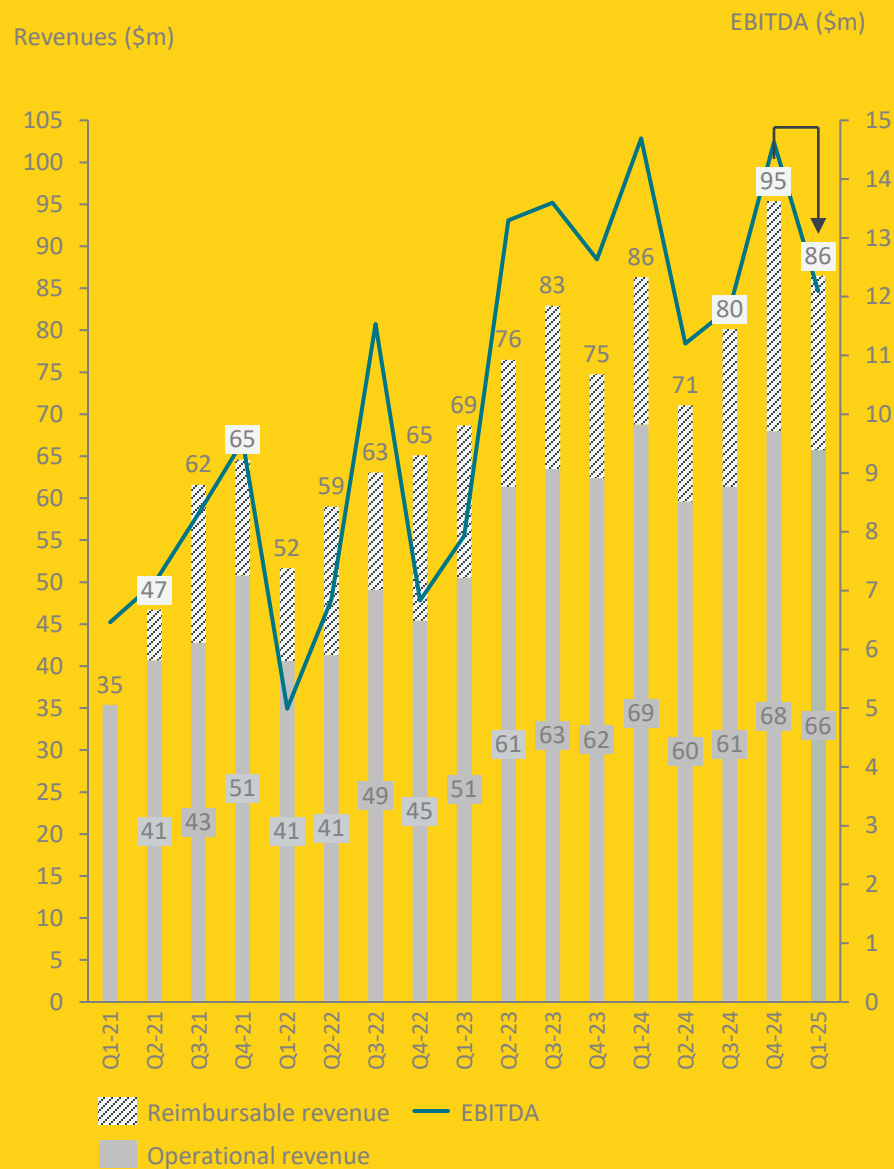
Operations

- Successfully completed the first quarter with operations on the Brage field for Okea in Norway
- Signed contract for P&A on Statfjord with new Pulling Unit – campaign to be completed by 2027





Well Services

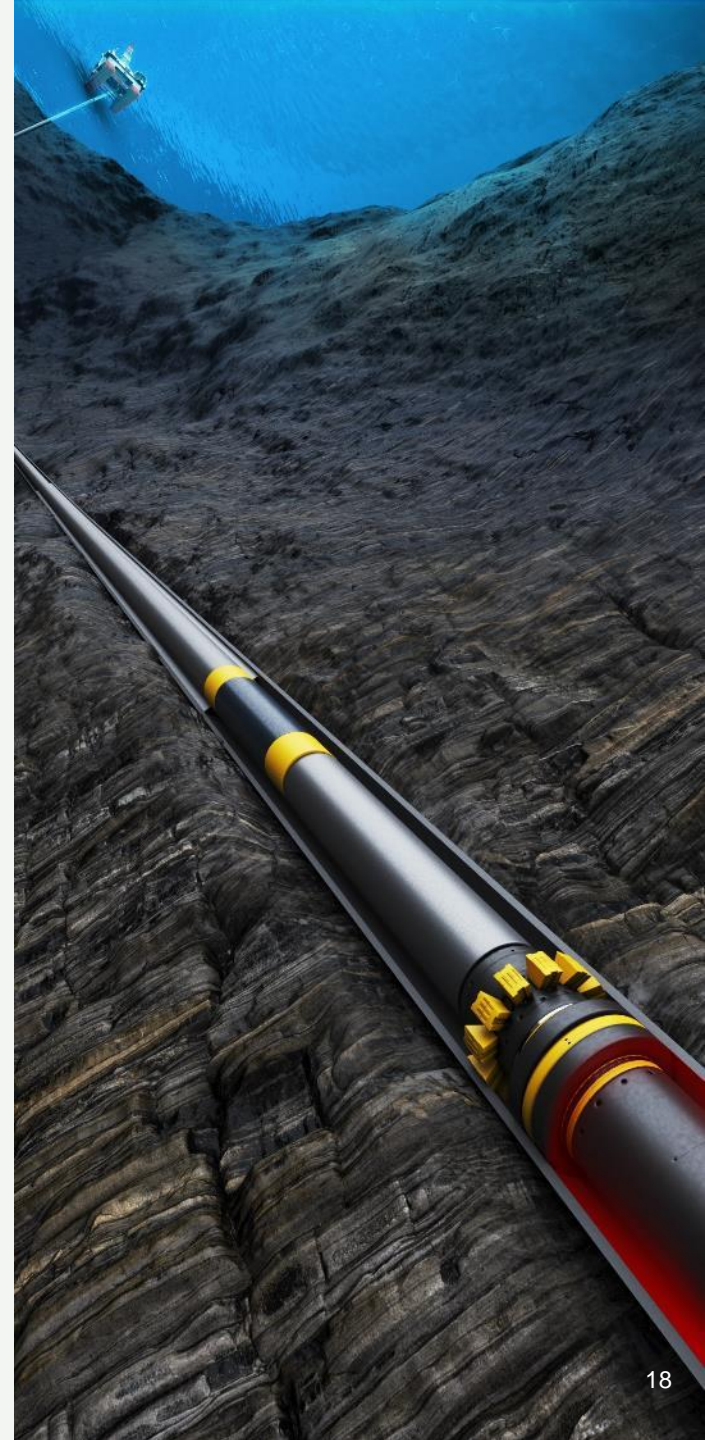


Financials

- Revenue of \$86.5 million, at same levels as Q1 2024, but a reduction from previous quarter mainly due to lower reimbursable revenue
- EBITDA of \$12.1 million, a reduction compared to same period last year of \$3.2 million
- EBITDA reduction in Q1 relates lower activity mainly in the North Sea across business segment and delays/bad weather in the US

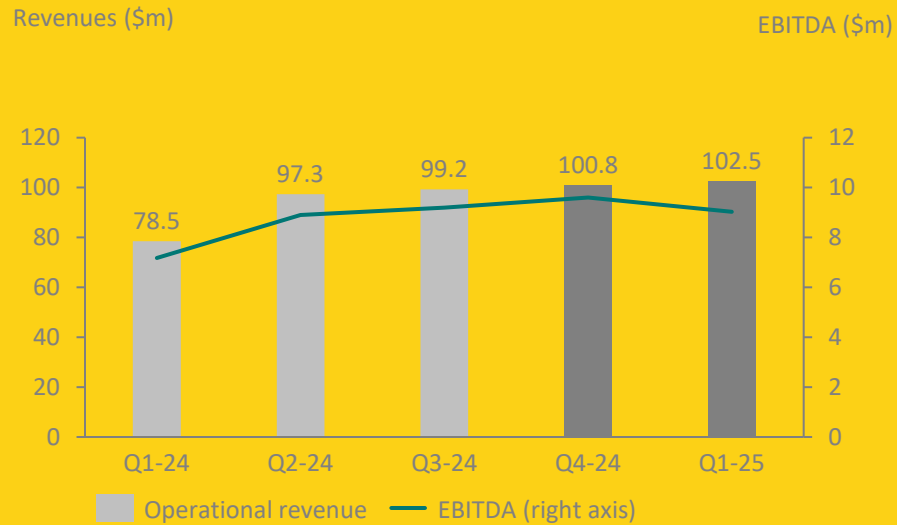
Operations

- Multi-year contract to supply fishing and thru tubing fishing for a major deepwater operator in the US GOA
- Awarded the planning work for the permanent plug and abandonment (P&A) of the Snorre UPA and Heidrun B&C templates Subsea P&A contract with Equinor Norway

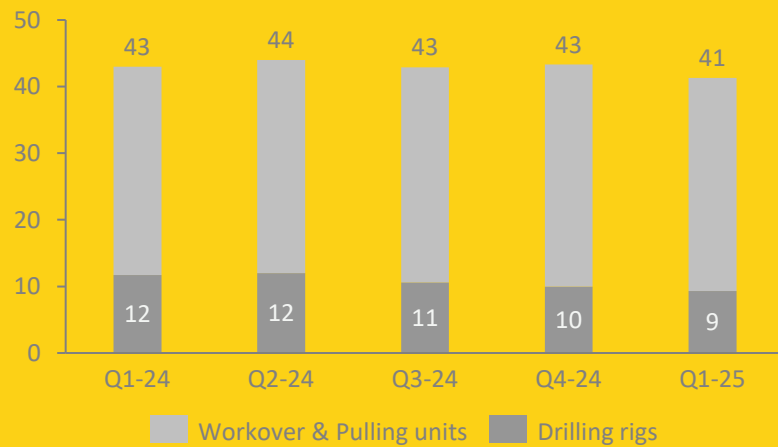




Land Drilling



Number of active Archer rigs

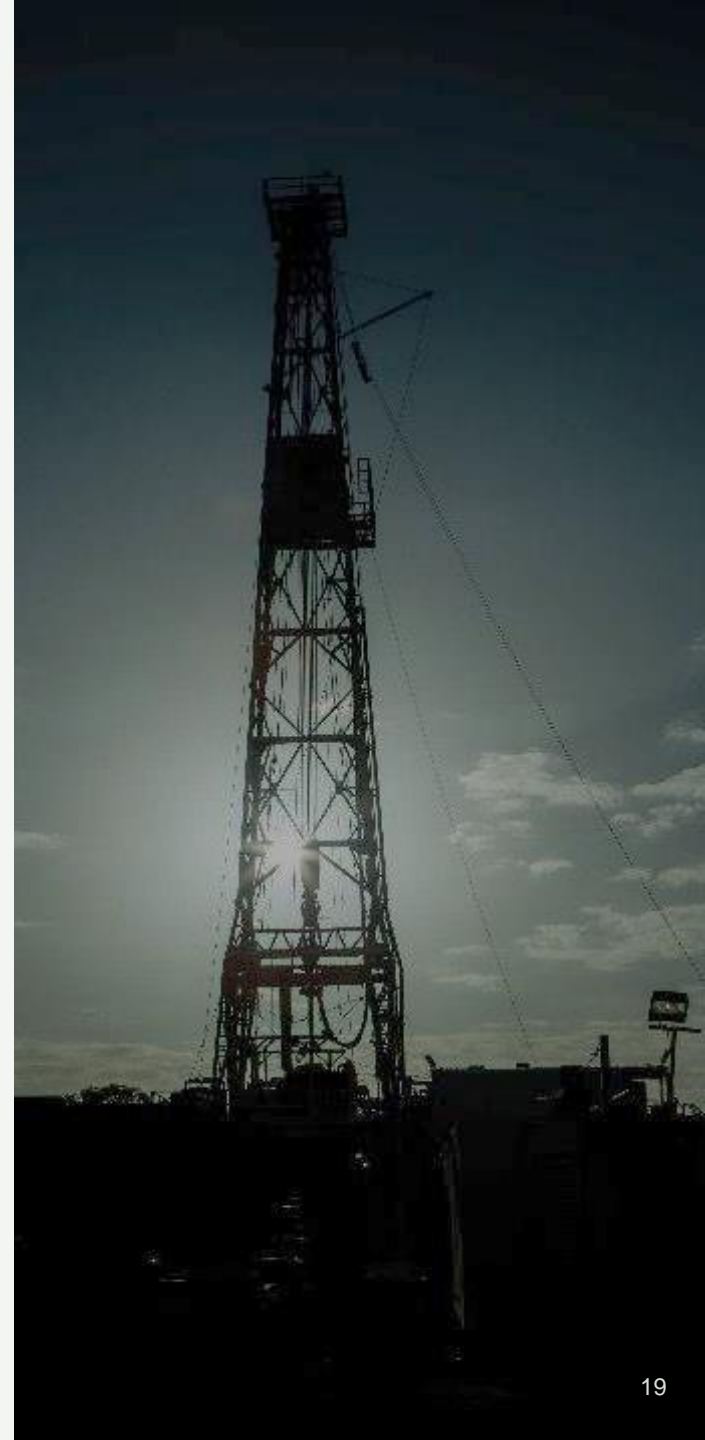


Financials

- Revenue in the quarter of \$102.5 million is moderately up compared to previous quarter.
- EBITDA of \$9m is up 6% compared to previous quarter and 25% compared to same quarter last year.
- Improved EBITDA in the quarter is based on strong performance and retro active rate recognition

Operations

- High activity in the quarter and solid performance accross operations
- Pan American Energy informed about reduction in activity going forward. We are working on adjust our work force and infrastructure in the South. We will down mann more approximately 550 employees during second quarter.
- PAE renewed contract in the south for 9 pulling units and 8 workover units





Renewable Services



Renewables Services offerings

- Service offering with geothermal energy, carbon storage, wind and hydropower
- Meaningful underlying demand growth in all markets
- Strategy to grow and develop the renewable service offering for further value creation

Financials

- Revenue in the quarter of \$22.5 million, up from \$16.4 million report in the previous quarter.
- EBITDA in the quarter of \$2.5 million, is up from \$1.6 million reported in previous quarter.
- The main activity comes from our geothermal energy activity.

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





Condensed profit & loss

- Total revenue of \$342.5 million in Q1 2025 represent an increase of \$34.2 million from same quarter last year, driven by growth in all business areas
- EBITDA before expectational of \$41.1 million, with a margin 12%, up from 10.7% last year
- Exceptional items of \$7.7 million in the quarter mainly relates to down manning in Argentina
- EBITDA of \$33.4 million is an increase of \$2.5 million or 8% compared to Q1 2024
- EBIT of \$16.3 million
- Net loss of \$29.0 million, before non-controlling interest, includes one-off charges related to refinancing of \$37 million (make whole and expense of old debt fees)
- Adjusted net income of \$3.6 million

\$ million	Q1 2025	Q1 2024
Operating revenues	294.3	260.2
Reimbursable revenue	48.3	48.1
Total Revenues	342.5	308.3
EBITDA before exceptional items	41.2	33.0
<i>EBITDA margin before exceptional items</i>	<i>12.0%</i>	<i>10.7%</i>
Exceptional items	(7.7)	(2.1)
EBITDA	33.5	30.9
<i>EBITDA margin</i>	<i>9.8%</i>	<i>10.0%</i>
Depreciation, amortization, other	(17.3)	(13.0)
EBIT	16.3	17.9
Result from associated entities	-	(0.1)
Net interest expense	(13.7)	(12.3)
Amortization of prepaid debt fees	(1.3)	(1.8)
Other financial items	(35.0)	(12.4)
Profit (loss) before tax	(33.7)	(8.7)
Income tax	4.8	(2.0)
Net profit (loss)	(29.0)	(10.8)
Non-controlling interest	(0.6)	-
Net adjustments*	33.2	13.4
Adjusted net profit (loss) *	3.6	2.6

*adjusted for impairments, exceptional items, gain on bargain purchase, MtM of financial assets, amortization of prepaid debt fees, make-whole, FX, timing of taxes and transaction cost

<i>\$ million</i>	31.03.2025	31.12.2024
Cash and cash equivalents	74.8	76.8
Restricted cash	0.8	3.8
Accounts receivables	201.5	187.8
Inventories	81.8	75.8
Other current assets	73.2	57.0
Investments and loans to associates	2.3	-
Property, plant and equipment	345.2	342.6
Right of use assets	25.0	26.4
Goodwill	184.0	174.0
Other non-current assets	62.8	56.5
Total assets	1,051.4	1,000.8
Current portion of interest-bearing debt	17.4	23.2
Accounts payable	108.5	112.2
Lease liability current	10.8	10.9
Other current liabilities	209.9	191.3
Long-term interest-bearing debt	478.0	418.1
Lease liability	14.3	15.6
Other noncurrent liabilities	3.0	6.7
Non controlling interest	15.8	15.4
Shareholder's equity	193.7	207.5
Total liabilities and shareholders' equity	1,051.4	1,000.8

Condensed balance sheet

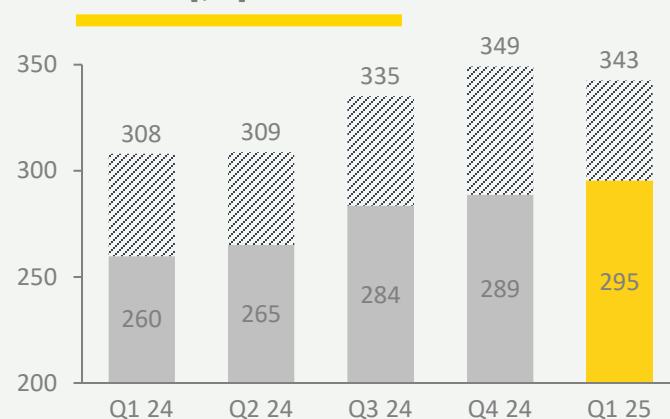
- Cash and cash equivalents of \$74.8 million, decreased by \$2.0 million compared to year end 2024
- Available liquidity of \$107.8 million and net reported NIBD \$425.7 million. Reported NIBD increased in the first quarter related to make whole fee on the old bond \$21.4 million, the expense of old debt fees \$16.2 million and in addition build up of net working capital mainly related to increased accounts receivables following increased number of outstanding days (DSO)
- Non-controlling interest is related to Archers 60% ownership in Iceland Drilling and 65% ownership in Vertikal Service.
- Equity of \$193.7 million



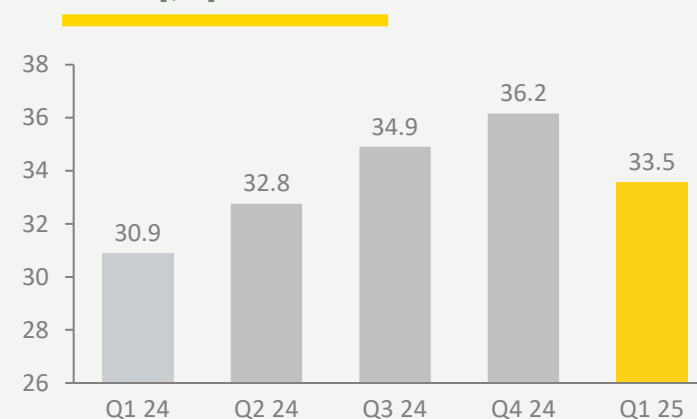
Key financials

Reimbursable
Operational revenue

Revenue [\$m]

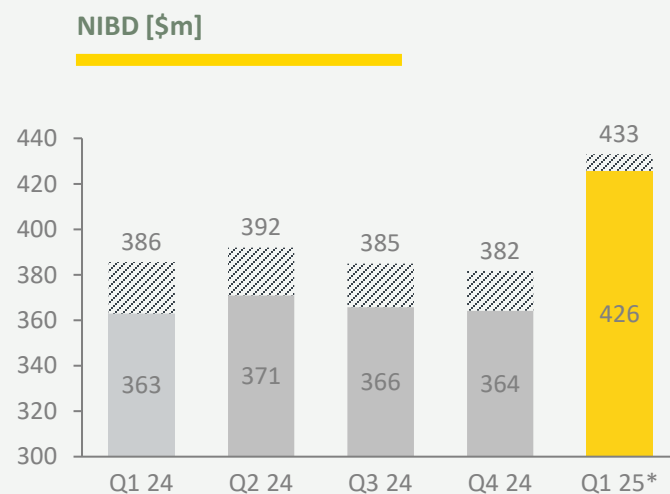


EBITDA [\$m]

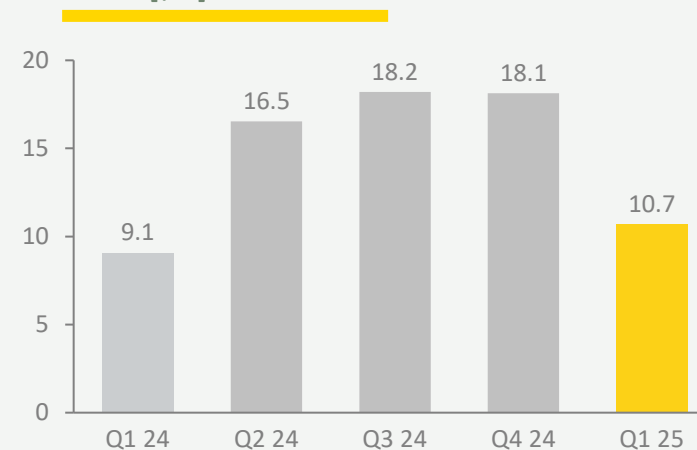


NIBD [\$m]

Prepaid debt fees
NIBD



CAPEX [\$m]



* Increase in NIBD mainly related
Make whole fee old bond and fees
related to refinancing

Condensed profit and loss statement (unaudited)

(Figures in \$ million)	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25
Operating revenues	260.2	265.4	283.5	287.9	249.3
Reimbursable revenue	48.1	43.7	51.6	60.4	48.3
Total Revenues	308.3	309.0	335.1	348.3	342.5
EBITDA before exceptional items	32.9	32.2	36.4	40.3	41.2
Total Exceptional items*	(2.1)	0.6	(1.4)	(4.1)	(7.7)
EBITDA	30.9	32.8	34.9	36.2	33.5
Depreciation, amortization, impairments, other	(13.0)	(17.3)	(15.1)	(18.1)	(17.1)
EBIT	17.9	15.5	19.8	18.1	16.3
Gain from bargain purchase	-	-	2.6	-	-
Gain on equity method investment	-	-	-	(0.2)	-
Result from associated entities	(0.1)	1.0	0.9	0.3	-
Net interest expense	(14.1)	(13.8)	(15.0)	(13.9)	(13.7)
Other financial items	(12.4)	(0.6)	0.1	(16.5)	(36.3)
Net financial items	(26.7)	(13.4)	(14.1)	(30.1)	(50.0)
Net result before tax	(8.7)	2.2	8.3	(12.2)	(33.7)
Tax benefit / (expense)	(2.0)	(1.1)	(5.4)	(6.1)	4.8
Net profit (loss)	(10.8)	1.0	2.9	(18.3)	(29.0)
Minority interest	-	-	(0.4)	-	(0.6)
Net adjustments**	13.4	(1.5)	(1.6)	18.8	33.2
Adjusted net income	2.6	(0.5)	0.9	0.6	3.6

*Exceptional items include costs of non-recurring nature, including restructuring charges

**adjusted for impairments, gain on bargain purchase, MtM of financial assets, amortization of prepaid debt fees, FX, timing of tax expense, exceptional items and transaction cost

Condensed balance sheet (unaudited)

<i>\$ million</i>	31.03.2024	30.06.2024	30.09.2024	31.12.2024	31.03.2025
Cash, cash equivalents & restricted cash	57.8	58.4	58.6	80.6	75.5
Accounts receivables	182.5	173.6	188.2	187.8	201.5
Inventories	72.3	70.6	69.8	75.8	81.8
Other current assets	49.1	56.0	60.3	57.0	73.2
Investments and loans in associates	11.6	12.7	12.3	-	2.3
Property, plant and equipment, net	303.6	302.3	307.8	342.6	345.2
Right of use assets	31.7	29.7	28.4	26.4	25.0
Goodwill	148.9	153.1	158.2	174.0	184.0
Other non-current assets	32.6	32.6	46.5	56.5	62.8
Total assets	891.8	889.0	930.2	1,000.8	1,051.4
Current portion of interest-bearing debt	18.7	19.9	15.6	23.2	17.4
Accounts payable	80.5	94.6	103.5	112.2	108.5
Lease liability current	11.0	9.9	10.9	10.9	10.8
Other current liabilities	175.5	158.7	177.8	191.3	209.9
Long-term interest-bearing debt	401.5	402.1	407.2	418.1	478.0
Lease liability	20.7	19.8	17.5	15.6	14.3
Other noncurrent liabilities	8.2	2.1	6.1	6.7	3.0
Non controlling interest	-	0.4	0.8	15.4	15.8
Shareholder's equity	175.6	181.4	190.8	207.5	193.7
Total liabilities and shareholders' equity	891.8	889.0	930.2	1,000.8	1,051.4



Condensed cash flow statement – last 5 quarters (unaudited)

<i>(Figures in \$ million)</i>	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25
Operating activities	14.3	24.4	19.7	39.4	(13.3)
Investing activities	(8.6)	(23.4)	(20.1)	(61.9)	(11.3)
Financing activities	(0.6)	(0.5)	(1.6)	52.2	13.0
FX effect	(2.9)	-	2.2	(7.6)	6.6
Total*	2.2	0.5	0.2	22.1	(5.0)

*Includes net movements in restricted cash.



Archer's capital allocation strategy



Balance sheet

Strong balance sheet and healthy debt levels

- Target a long-term leverage ratio of 1.5-2.0x
- Maintain solid liquidity at all times
- Aim to reduce overall cost of capital in the long-term



Capex

Capex maintained at moderate levels

- Targeting total capex of 3-4% of revenue over time
- Focus on growth investments in areas with the highest return and growth potential
- Self-funded capex program in Argentina



M&A

Selective accretive bolt-on acquisitions

- Disciplined strategy, with selective accretive M&A
- Targeting high-return, synergetic and cash generating bolt-on acquisitions



Shareholder returns

Shareholder returns

- Initiate regular and sustainable shareholder return program
- First quarterly cash distribution of \$5.5m in Q2 2025
- Target to increase cash distribution to shareholders over time, in line with growth in earnings