



Archer

2025

Archer Limited

FOURTH QUARTER

2025 RESULTS

Table of Contents

Consolidated Statements of Operations IFRS (unaudited)	1
Consolidated Statements of Comprehensive Income/(Loss) and Accumulated Other Comprehensive Income/(Loss) IFRS	2
Consolidated Balance Sheets IFRS (unaudited)	4
Consolidated Statements of Cash Flows IFRS (unaudited)	5
Consolidated Statement of Changes in Shareholders' Equity IFRS (unaudited)	6
Notes	7
Appendix to Fourth Quarter 2025 Report	49

Consolidated Statements of Operations IFRS (unaudited)

(In USD millions)	Note	Three Months Ended Dec. 31		Year Ended Dec. 31	
		2025	2024 Restated	2025	2024 Restated
Revenues					
Revenues	5	301.2	293.9	1,196.8	1,112.5
Other income	5,16	0.2	0.2	0.3	3.2
Total Revenue and Income		301.4	294.1	1,197.1	1,115.6
Expenses					
Personnel expenses		147.3	139.8	569.1	537.5
Other operating expenses		109.1	115.3	462.0	424.5
Depreciation and amortisation	7	22.5	18.7	78.1	70.1
Impairment charges	7	7.8	0.7	7.8	2.7
Loss on sale of business	16	13.2	—	21.9	—
Total Expenses		300.9	274.5	1,138.9	1,034.8
Operating profit		0.5	20.0	58.2	81.0
Financial items					
Net interest expense		(14.3)	(14.7)	(81.3)	(62.0)
Share of results in associated companies		0.0	0.3	0.0	2.1
Other financial items	6	(0.7)	(16.5)	(12.5)	(27.8)
Total financial items		(15.0)	(30.9)	(93.8)	(87.7)
Profit (loss) before income taxes		(14.5)	(11.3)	(35.7)	(6.6)
Income tax benefit (expense)	17	(2.6)	(6.1)	(0.1)	(14.6)
Profit (loss)		(17.1)	(17.4)	(35.7)	(21.2)
- Attributable to non-controlling interests		1.4	0.0	5.2	0.4
- Attributable to controlling interests		(18.5)	(17.4)	(40.9)	(21.6)
Gain (loss) per share - basic		(0.19)	(0.22)	(0.44)	(0.31)
Gain (loss) per share - diluted		(0.19)	(0.22)	(0.44)	(0.31)
Weighted average number of shares outstanding (million)					
Basic	5	99.5	79.4	92.8	68.6
Diluted	5	99.7	79.5	93.1	68.8

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

Consolidated Statements of Comprehensive Income/(Loss) and Accumulated Other Comprehensive Income/(Loss) IFRS

Consolidated Statements of Comprehensive Income/(Loss) (Unaudited)

(in USD millions)	Three Months Ended Dec. 31		Year Ended Dec. 31	
	2025	2024 Restated	2025	2024 Restated
Profit (loss)	(17.1)	(17.4)	(35.7)	(21.2)
Other comprehensive (loss)/income				
Currency translation differences	(3.2)	(15.7)	23.5	(14.1)
Release AOCI relating to Comtrac investment	-	(0.6)	-	(0.6)
Total other comprehensive income (loss)	(3.2)	(16.3)	23.5	(14.8)
Total comprehensive income (loss)	(20.3)	(33.7)	(12.2)	(36.4)
Attributable to:				
Non-controlling interest	1.2	(0.1)	5.2	0.4
Controlling interest	(19.1)	(33.8)	(17.4)	(36.1)

Accumulated Other Comprehensive Income (Loss) (Unaudited)

(in USD millions)	Translation differences	Other comprehensive income	Total
Balance at December 31, 2024 - Restated	(14.1)	-	(14.1)
Total other comprehensive income (loss) during 2025	23.5	-	23.5
Balance at December 31, 2025	9.5	-	9.5

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



Archer

Consolidated Balance Sheets IFRS (unaudited)

(In USD million)		Dec. 31, 2025	Dec. 31, 2024	Jan. 1, 2024
	Note	(Unaudited)	Restated (Unaudited)	Restated (Unaudited)
ASSETS				
Property plant and equipment	7	334.2	342.6	313.1
Right of use assets	10	57.6	26.4	34.4
Goodwill	8	196.2	174.0	156.0
Intangible assets	9	32.5	23.3	2.8
Investment in associates and joint ventures	19	4.0	0.0	12.3
Deferred tax asset	17	39.6	24.2	20.8
Other non-current assets		27.5	13.1	11.6
Total non-current assets		691.6	603.6	550.9
Cash and cash equivalents		41.6	76.8	52.1
Restricted cash		1.8	3.8	3.5
Trade receivables		204.4	187.8	183.8
Inventories		79.6	75.8	75.0
Other current assets		53.1	57.0	40.4
Total current assets		380.4	401.3	354.8
Total Assets		1,072.0	1,004.8	905.7
LIABILITIES AND SHAREHOLDERS' EQUITY				
Long-term interest-bearing debt	11	430.1	418.1	402.5
Lease liabilities (non-current)	12	48.1	15.6	22.9
Deferred tax	17	0.3	0.3	0.3
Other non-current liabilities		6.6	6.4	6.3
Total non-current liabilities		485.1	440.3	432.0
Current portion of interest-bearing debt	11	37.8	23.2	17.6
Lease liabilities (current)	12	11.3	10.9	11.4
Trade payables		107.8	112.2	75.5
Income tax	17	7.6	9.5	1.8
Other current liabilities		205.0	181.8	171.2
Total current liabilities		369.5	337.7	277.5
Shareholders' equity		196.7	211.5	196.2
Non-controlling interest in consolidated subsidiary		20.7	15.4	-
Total equity		217.4	226.9	196.2
Total Liabilities and Shareholders' Equity		1,072.0	1,004.8	905.7

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

Consolidated Statements of Cash Flows IFRS (unaudited)

(In USD millions)		Year Ended December 31,	
	Note	2025	2024
			Restated
Profit (loss) before income taxes		(35.7)	(6.6)
Taxes paid		(7.5)	(8.7)
Depreciation and amortisation	7,9,10	78.1	69.6
Impairment of fixed assets	7	7.8	2.7
Share-based compensation expenses		0.2	0.4
Loss/(gain) on asset disposals - net	7	0.6	(0.2)
Share of result from associated companies		0.0	(2.1)
Amortisation of loan fees		2.7	6.8
Write-off of unamortised debt fees re previous financing	6	16.2	—
Interest paid		74.5	55.8
Loss/(gain) on sale/purchase of business	16	21.9	(2.4)
Decrease/(increase) in trade receivable/other current assets		(13.2)	15.2
Decrease/(increase) in inventories		1.6	6.2
(Decrease)/increase in trade payable/other current liabilities		(8.6)	32.3
Change in other operating assets/liabilities net, inc. non-cash fx effects		(36.4)	1.5
Net cash flow from operating activities		102.1	170.5
Capital expenditures	7,10	(51.7)	(62.2)
Investment in development projects	9	(5.3)	(4.0)
Proceeds from sale of tangible fixed assets and marketable securities		4.1	0.7
Proceeds from sale of business	16	4.6	—
Investment in / loans to associated entities		(2.2)	(2.5)
Business acquisition and investment in subsidiaries net of cash acquired	16	(21.4)	(54.9)
Net cash flow from investing activities		(71.9)	(122.9)
Net borrowing under RCF, bond issue and other long-term debt	11	486.9	17.4
Repayments under revolving facilities and other long-term debt	11	(484.4)	(18.9)
Interest paid		(74.5)	(55.8)
Repayment of lease obligations	12	(8.0)	(8.0)
Repayment of contributed surplus to shareholders		(17.3)	-
Net proceeds from equity issue		20.0	51.3
Cash settlement of RSUs		-	(0.3)
Net cash flow from financing activities		(77.3)	(14.3)
Effect of exchange rate changes on cash and cash equivalents		9.8	(8.4)
Net (decrease)/increase in cash and cash equivalents		(37.3)	25.1
Cash and cash equivalents, including restricted cash, at beginning of the period		80.7	55.6
Cash and cash equivalents, including restricted cash, at the end of the period		43.4	80.7

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

Consolidated Statement of Changes in Shareholders' Equity IFRS (unaudited)

(In USD millions)	Common shares	Additional Paid In Capital	Accumulated Deficit	Accumulated Other Comprehensive Gain/(Loss)	Contributed Surplus	Non- controlling interests	Total Shareholders' Equity
Balance at December 31, 2023	16.2	1,052.1	(1,607.3)	(5.1)	740.1	—	196.2
Effect of transition to IFRS	—	—	(5.6)	5.6	—	—	—
Balance at January 1, 2024- Restated	16.2	1,052.1	(1,613.0)	0.6	740.1	—	196.2
Share based compensation	—	0.4	—	—	—	—	0.4
Cash paid for vested RSUs	—	(0.3)	—	—	—	—	(0.3)
Consolidation and reduction of share capital	(15.6)	15.6	—	—	—	—	0.0
Shares issued in private placement	0.2	48.6	—	—	—	—	48.8
Shares issued for purchase of Iceland Drilling	0.0	2.5	—	—	—	—	2.5
Non-controlling interests acquired	—	—	—	—	—	15.2	15.2
Net loss	—	—	(21.6)	—	—	—	(21.6)
Share of result attributed to non-controlling interest	0.1	—	—	—	—	0.4	0.4
Translation differences	—	—	—	(14.1)	—	—	(14.1)
Release of AOCI relating to Comtrac equity investment	—	—	—	(0.6)	—	—	(0.6)
Balance at December 31, 2024 - Restated	0.9	1,119.0	(1,634.6)	(14.1)	740.1	15.4	226.9
Share based compensation	—	0.2	—	—	—	—	0.2
Reallocation of additional paid in capital to contributed surplus	—	(974.4)	—	—	974.4	—	—
Repayment of capital to shareholders	—	—	—	—	(17.3)	—	(17.3)
Net proceeds from equity issue	0.1	19.7	—	—	—	—	19.8
Net loss Attributed to controlling interests	—	—	(40.9)	—	—	—	(40.9)
Share of result attributed to non-controlling interest	—	—	—	—	—	5.2	5.2
Translation differences	—	—	—	23.5	—	0.0	23.5
Balance at December 31, 2025	1.0	164.5	(1,675.5)	9.5	1,679.2	20.7	217.4

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

Notes

Note 1 General information

Note 2 Summary of significant accounting policies

Note 3 Change in accounting policies

Note 4 Segment Information

Note 5 Revenue from contracts with customers

Note 6 Other Financial Items

Note 7 Property plant and equipment

Note 8 Goodwill

Note 9 Intangible assets

Note 10 Right of use assets

Note 11 Long-term, Interest Bearing Debt

Note 12 Leases

Note 13 Fair Value of Financial Instruments

Note 14 Equity

Note 15 Earnings Per Share

Note 16 Business Acquisitions

Note 17 Income Tax

Note 18 Commitments and contingencies

Note 19 Investment in Associates and Joint Ventures

Note 20 Related Parties

Note 21 Subsequent Events

Note 1 General information

Description of business

Archer Limited, along with its subsidiaries, ("Archer" or the "Company") is a global energy services company with a heritage in drilling and well services that stretches back over 50 years. The Company is publicly traded on the Oslo Stock Exchange under the ticker ARCH.

Archer provides drilling and well services to the global energy industry, employing 4,337 globally at December 31, 2025. Archer operates in over 40 countries, providing sustainable high-quality services and innovative technology to optimize Archer's customer's energy solutions. 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. Archer holds a leading and technologically advanced position within plug and abandonment (P&A), delivering integrated solutions that enable safe, efficient and permanent well decommissioning in mature basins globally. Leveraging decades of operational experience, proprietary technology and engineering expertise, Archer supports operators in meeting regulatory requirements while optimizing cost and reducing environmental footprint.

The Group's operations are managed through four segments: Platform Operations, Well Services, Land Drilling and Renewables.

Platform Operations

Platform Operations delivers drilling operations, maintenance and engineering services on offshore production platforms, primarily in the North Sea and other mature basins. The segment focuses on safe, efficient and cost-effective platform drilling, modification projects and integrated operations to maximize uptime and asset value for operators.

Well Services

Well Services provides a broad portfolio of well intervention, wireline and downhole services aimed at improving well performance and extending field life. The segment supports customers throughout the well lifecycle, from completion and stimulation to maintenance and plug and abandonment.

Land Drilling

Land Drilling comprises Archer's fleet of high-specification land drilling rigs, primarily deployed in the Vaca Muerta basin in Argentina. With a long operational heritage in the region, the segment delivers efficient and reliable drilling services to leading operators, supported by strong local expertise, modern rig technology and a consistent focus on safety and performance in unconventional shale developments.

Renewables

Renewables leverages Archer's engineering competence, operational experience and technology to support energy transition activities. The segment provides services within areas such as offshore wind, carbon capture and storage (CCS) and geothermal low-carbon energy solutions.

As used herein, unless otherwise required by the context, the term "Archer" refers to Archer Limited and the terms "Company," "we," "Group," "our" and words of similar import refer to Archer and its consolidated subsidiaries. The use herein of such terms as "group", "organization", "we", "us", "our" and "its" or references to specific entities is not intended to be a precise description of corporate relationships.

Going Concern

The financial statements have been prepared on a going concern basis. This assumption is based on the liquidity position of the Group, forecasted operating results, and the market outlook for the oil service sector as at December 31, 2025.

Note 2 Summary of significant accounting policies

Basis of presentation

The financial statements are presented in accordance with IFRS® Accounting Standards as adopted by the EU. The amounts are presented in United States Dollars, USD, or \$ rounded to the nearest a million, unless otherwise stated. We present our financial statements on a continuing business basis and separately present discontinued operations. The accounting policies set out below have been applied consistently to all periods in these consolidated financial statements.

Basis of consolidation

Investments in companies in which we directly or indirectly hold more than 50% of the voting control are generally

Fourth quarter and full year 2025 report

consolidated in our financial statements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

Entities in which we do not have a controlling interest but over which we have significant influence are accounted for under the equity method of accounting. Our share of after-tax earnings of equity method investees is reported under Share of results of unconsolidated associates. A list of all significant consolidated subsidiaries is disclosed in the Annual Report 2024 - Appendix B Material Subsidiaries. Changes are included in Note 16 Business Acquisitions. Intercompany transactions and internal sales have been eliminated through consolidation.

Reclassifications

Certain amounts in the prior years consolidated financial statements may be reclassified when necessary to conform to the current year's presentation.

Use of estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Future events and their effects cannot be predicted with certainty. Accordingly, our accounting estimates require the exercise of judgement. While management believes the estimates and assumptions used in the preparation of the consolidated financial statements are appropriate, actual results could differ materially from those estimates. Estimates are used for, but are not limited to, determining the following: allowance for doubtful accounts, recoverability of long-lived assets, goodwill and intangibles, useful lives used in depreciation and amortization, income taxes and valuation allowances and purchase price allocations. The accounting estimates used in the preparation of the consolidated financial statements may change as new events occur, as more experience is acquired, as additional information is obtained and as our operating environment changes.

Revenue from contracts with customers

The activities that primarily drive the revenue earned from our drilling contracts include:

- Providing specialist crew for the operation of, or repair, maintenance or modifications of Customer's platform rigs.
- Providing land drilling rigs and modular rigs, and the crew and supplies necessary to operate the rigs;
- Mobilizing and demobilizing land rigs between well sites;
- Wireline services; and
- Rental of equipment

Consideration received for performing these activities consists primarily of contract day rates. We account for our integrated services as a single performance obligation that is (i) satisfied over time and (ii) consists of a series of distinct time increments. We measure progress towards satisfaction of the performance obligation using a time-based measure, as this best depicts the pattern of transfer of services to the customer. Occasionally we receive lump mobilization fees and fixed fees for engineering projects. We recognize consideration for activities that correspond to a distinct time increment within the contract term in the period when the services are performed.

We recognize consideration for activities that are (i) not distinct within the context of our contracts and (ii) do not correspond to a distinct time increment, ratably over the estimated contract term.

We determine the total transaction price for each individual contract by estimating both fixed and variable considerations expected to be earned over the term of the contract. The amount estimated for variable consideration may be constrained and is only included in the transaction price to the extent that it is probable that a significant reversal of previously recognized revenue will not occur throughout the term of the contract. When determining if variable consideration should be recognized, we consider whether there are factors outside our control that could result in a significant reversal of revenue as well as the likelihood and magnitude of a potential reversal of revenue. We reassess these estimates each reporting period as required. Refer to Note 5 Revenue from contracts with customers.

Contracts entered into at or near the same time with the same customer are combined if they are negotiated as a package with a single commercial objective or if the consideration in one contract depends on the other.

Contract modifications are accounted for as separate contracts when they add distinct services at a price that reflects their standalone selling price. Otherwise, they are accounted for as part of the existing contract, prospectively or through a cumulative catch-up adjustment, as appropriate.

Amounts received from customers in advance of providing services are recognized as contract liabilities. Where the Company's right to consideration is conditional on something other than the passage of time (for example, future performance), it is presented as a contract asset. Receivables are recognized when the right to payment becomes unconditional.

Day rate Drilling Revenue - Our contracts generally provide payment on a day rate basis, with higher rates for periods when the drilling unit is operating and lower rates or zero rates for periods when drilling operations are interrupted or restricted. The day rate invoices billed to the customer are typically determined based on the varying rates applicable to the specific activities performed on an hourly basis. Such day rate consideration is allocated to the distinct hourly increment it relates to within the contract term, and therefore, recognized in line with the contractual rate billed for the services provided for any given hour.

Mobilization Revenue - We may receive fees (on either a fixed lump sum or variable day rate) for the mobilization of our rigs. These activities are not considered to be distinct within the context of the contract and therefore, the associated revenue is allocated to the overall performance obligation and recognized ratably over the expected term of the related drilling contract. We record a contract liability for mobilization fees received, which is amortized ratably to contract drilling revenue as services are rendered over the initial term of the related drilling contract. Contract mobilization costs include costs that are directly attributable to our future performance obligation under each respective drilling contract. Company defers mobilization costs and recognizes such costs on a straight-line basis over the same period as the corresponding mobilization revenue.

Demobilization Revenue - We may receive fees (on either a fixed lump-sum or variable day rate) for the demobilization of our rigs. Demobilization revenue expected to be received upon contract completion is estimated as part of the overall transaction price at contract inception and recognized over the term of the contract. In most of our contracts, there is uncertainty as to the likelihood and amount of expected demobilization revenue to be received. For example, the amount may vary depending upon whether the rig has additional contracted work following the initial contract. Therefore, the estimate for such revenue may be constrained, as described above, depending on the facts and circumstances pertaining to the specific contract. We assess the likelihood of receiving such revenue based on experience and knowledge of the market conditions. Demobilization costs are generally expensed as incurred, as they do not give rise to future economic benefits. Where such costs are directly related to satisfying future performance obligations, they are deferred and amortized consistently with the related revenue.

Revenues Related to Reimbursable Expenses - We generally receive reimbursements from our customers for the purchase of supplies, equipment, personnel services and other services provided at their request in accordance with a drilling contract or other agreement. Such reimbursable revenue is variable and subject to uncertainty, as the amounts received and timing thereof is highly dependent on factors outside our influence. Accordingly, reimbursable revenue is not recorded and not included in the total transaction price until the uncertainty is resolved, which typically occurs when the related costs are incurred on behalf of a customer. We are generally considered an agent in such transactions. Accordingly, reimbursable revenue is presented net of the corresponding costs, representing the margin, if any, earned on such transactions.

Revenue from Long-Term Contracted Projects - The Company is party to long-term contractual arrangements that extend beyond the reporting period. The revenue recognized from these projects includes estimates of variable consideration such as change orders, claims, compensation for additional services performed, cost overruns and other contractual adjustments. These amounts are recognized only when it is highly probable that a significant reversal of cumulative revenue recognized will not occur. The assessment of such variable consideration involves significant judgement, including evaluation of contractual rights, the status of negotiations with customers, historical settlement experience on similar projects and other relevant facts and circumstances. In certain cases, revenue recognized may be subject to customer approval or ongoing discussions. Actual outcomes may differ from management's estimates as projects progress or are completed, and any resulting adjustments are recognized in the period in which they become known.

Foreign currencies

For subsidiaries that have functional currencies other than the USD, the statements of operations are translated using the average exchange rate for the month and the assets and liabilities are translated using the year-end exchange rate. Foreign currency translation gains or losses are recorded as a separate component of other comprehensive income in shareholders' equity. Transactions in foreign currencies during the year are translated into the functional currency of the respective entity at the rates of exchange in effect on the date of the transaction. Foreign currency assets and liabilities are translated using rates of exchange at the balance sheet date. Foreign currency transaction gains or losses are included in the consolidated statements of operations

Fourth quarter and full year 2025 report

Current and noncurrent classification

Assets and liabilities are classified as current when they are expected to be realized or settled within the Group's normal operating cycle, or within twelve months after the reporting date, or when they are held primarily for trading, or are cash and cash equivalents (unless restricted). All other assets and liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents consist of cash, demand deposits and highly liquid financial instruments purchased with original maturity of three months or less and exclude restricted cash.

Restricted cash

Restricted cash consists mainly of bank deposits arising from advance employee tax withholdings.

Receivables

Trade and other receivables are recorded in the balance sheet at their full amount, less a loss allowance for expected credit losses. The Group has applied the practical expedient permitted by IFRS 9 and initially measures trade receivables at the transaction price determined in accordance with IFRS 15.

Loss allowances are established based on expected credit losses for individual receivables as well as on collective assessments where appropriate.

In assessing expected credit losses, the Group considers:

- the financial condition of the customer,
- historical payment behaviour,
- current and forward-looking information, including relevant market conditions and macro-economic factors.

Uncollectible receivables are written off when they are considered irrecoverable, including situations where a settlement is reached for an amount less than the outstanding balance, or when all reasonable collection efforts have been exhausted. Amounts previously written off that are subsequently recovered are recorded as a reversal of impairment in profit or loss.

Inventories

Inventories are stated at the lowest of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method and includes all costs of purchase, conversion, and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and costs necessary to make the sale. Inventory balances are regularly reviewed for excess quantities and obsolescence by analysing demand, inventory levels, and sales trends. When necessary, inventories are written down to their net realisable value. If circumstances that previously caused inventories to be written down no longer exist, or if there is clear evidence of an increase in net realisable value, the write-down is reversed in the period of recovery.

Investments in Associates and Joint Ventures

Investments in which we have the ability to exercise significant influence, but do not control or jointly control, are accounted for under the equity method of accounting and are reported under Investments in associates and joint ventures in the Consolidated Balance Sheet.

Significant influence is generally deemed to exist if the Company has an ownership interest in the voting stock of the investee between 20 percent and 50 percent, although other factors such as representation on the investee's Board of Directors and the nature of commercial arrangements are considered in determining whether the equity method of accounting is appropriate.

Investments in which the Company exercises joint control together with one or more parties, whereby decisions about the relevant activities require the unanimous consent of the parties sharing control, are also accounted for under the equity method of accounting.

Under this method of accounting, our share of the net earnings or losses of the investee, together with our share of other comprehensive income, impairment losses, and gains or losses on sale of such investments, is reported under *Share of gains/losses of associates and joint ventures* in the Consolidated Statement of Operations.

We evaluate our equity method investments whenever events or changes in circumstances indicate that the carrying amounts of such investments may be impaired. If the recoverable amount of an equity method investment (being the

highest of its fair value less costs of disposal and its value in use) is less than its carrying amount, an impairment loss is recorded in earnings in the current period in accordance with IAS 36 – Impairment of Assets. If the recoverable amount subsequently increases, the impairment loss is reversed in the period of recovery.

Property, plant and equipment

Property, plant and equipment are recorded at historical cost less accumulated depreciation and accumulated impairment losses, using the cost model in accordance with IAS 16 – *Property, Plant and Equipment*.

The cost of these assets, less estimated residual value, is depreciated on a straight-line basis over their estimated remaining economic useful lives. The estimated useful lives of our fixed assets are as follows:

- Buildings: 3 – 50 years
- Drilling and well service equipment: 2 – 30 years
- Office furniture and fixtures: 3 – 10 years
- Motor vehicles: 3 – 7 years

We evaluate the useful lives, residual values, and depreciation methods of our property, plant and equipment on a periodic basis to determine whether events or circumstances warrant a revision.

Expenditures for replacements or improvements are capitalized when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. Costs related to the reclassification of equipment that extend the asset's useful life or enhance its future economic benefits are capitalized as part of property, plant and equipment. The capitalized amounts are amortized on a straight-line basis over five years, reflecting the period over which the Group expects to benefit from the reclassified costs. Maintenance and repairs are charged to operating expenses as incurred.

Fully depreciated assets are retained in property, plant and equipment and accumulated depreciation until disposal. Upon sale or retirement, the cost of the asset and related accumulated depreciation are removed from the balance sheet, and any resulting gain or loss is recognized in the consolidated statement of operations.

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

Assets under construction

The carrying value of assets under construction represents the accumulated costs incurred at the balance sheet date and is included in Property, Plant and Equipment in the consolidated balance sheet.

Cost components include progress payments, variation orders, construction supervision, equipment, spare parts, capitalised borrowing costs, costs related to first-time mobilisation, and commissioning costs. These costs comprise directly attributable expenditures necessary to bring the asset to the location and condition required for it to be capable of operating in the manner intended by management.

No charge for depreciation is made until commissioning of the new build has been completed, and the asset is available for use in its intended operational condition.

Leases

The Group leases office space, equipment, and operating assets at various locations. At the commencement date of a lease, we recognise a right-of-use (ROU) asset and a corresponding lease liability for all leases, except for those with a lease term of twelve months or less or for low-value assets, which are expensed on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of lease payments that are not paid at that date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate. Each lease payment is allocated between a reduction of the lease liability and a finance cost, using the effective interest method to produce a constant periodic rate of interest on the remaining balance of the liability.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, any lease payments made at or before the commencement date, and any initial direct costs, less lease incentives received. The ROU asset is subsequently depreciated on a straight-line basis over the shortest of the asset's estimated useful life

Fourth quarter and full year 2025 report

and the lease term. Depreciation of right-of-use assets is presented within Depreciation and amortisation expense in the Consolidated Statement of Operations. Interest expense on the lease liability is recognised in the Consolidated Statement of Operations over the lease term.

Intangible Assets

Intangible assets are recorded at historical cost less accumulated amortisation and accumulated impairment losses. The cost of intangible assets is generally amortised on a straight-line basis over their estimated remaining economic useful lives, which range from 2 to 20 years.

We evaluate the useful lives, residual values, and amortisation methods of our intangible assets at least annually to determine whether events and circumstances warrant a revision.

Amortisation begins when the asset is available for use, that is, when it is in the condition necessary for it to be capable of operating in the manner intended by management.

Once fully amortised, the intangible asset's cost and accumulated amortisation remain in the accounts until the asset is derecognised, either on disposal or when no future economic benefits are expected from its use.

Trade names under which we intend to trade for the foreseeable future are considered to have indefinite useful lives and are not amortised. Such assets are tested for impairment annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired.

In circumstances where management decides to phase out the use of a trade name, the relevant cost is amortised to zero over its remaining estimated useful life.

Acquired technology is not amortised until it is available for use or ready for marketing.

Goodwill

We allocate the cost of acquired businesses to the identifiable tangible and intangible assets and liabilities acquired, with any excess of the purchase consideration over the fair value of the identifiable net assets recognised as goodwill.

Goodwill is not amortised, but is tested for impairment at least annually, and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For the purpose of impairment testing, goodwill is allocated to the cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. Each CGU represents the lowest level within the Group at which goodwill is monitored for internal management purposes and is not larger than an operating segment.

Goodwill is tested for impairment by comparing the carrying amount of the CGU, including the allocated goodwill, to its recoverable amount, which is defined as the higher of fair value less costs of disposal and value in use.

If the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised immediately in the consolidated statement of operations. Impairment losses on goodwill are not reversed in subsequent periods.

The recoverable amount of each CGU is generally determined using the income approach, based on a discounted cash flow model that incorporates management's best estimates of future cash flows, terminal values, and discount rates. Cash flow projections reflect management's expectations of economic and market conditions that influence key assumptions such as revenue growth rates, operating margins, and capital expenditures. The discount rate reflects current market assessments of the time value of money and the risks specific to the CGU.

There are inherent uncertainties involved in estimating recoverable amounts, including assumptions regarding future market conditions, growth rates, and discount rates.

Impairment of Non-Financial Assets (Other than Goodwill)

The carrying values of property, plant and equipment and intangible assets with finite useful lives are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

An impairment loss is recognised when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value in use.

Value in use is calculated by discounting the estimated future cash flows expected to arise from the asset or CGU using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

When determining fair value less costs of disposal, the Group uses the best available market evidence, including recent transaction prices for similar assets, broker valuations, or discounted cash flow analyses where appropriate.

Impairment losses are recognised in the consolidated statement of operations. For assets other than goodwill, impairment losses are reversed if there has been a change in the estimates used to determine the recoverable amount, but only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised.

Research and Development

Research expenditures are expensed as incurred.

Development expenditures are capitalised only when all the following conditions are met:

1. The technical feasibility of completing the asset so that it will be available for use or sale can be demonstrated;
2. The Group intends to complete the asset and use or sell it;
3. The asset is expected to generate probable future economic benefits;
4. Adequate technical, financial, and other resources are available to complete the development; and
5. The expenditure attributable to the asset during its development can be measured reliably.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life of the asset once it is available for use.

In accordance with IFRS 3 *Business Combinations*, acquired in-process research and development that meets the definition of an intangible asset is recognised at fair value at the acquisition date. After initial recognition, such assets are measured at cost less accumulated amortisation and impairment losses.

Income Taxes

Archer is a Bermuda company. In December 2023, Bermuda enacted a corporate income tax effective for fiscal years beginning on or after 1 January 2025. The Bermuda income tax rules are designed to align with the OECD's Global Anti-Base Erosion (GloBE) framework. The calculation of taxable income begins with financial accounting net income or loss determined in accordance with the acceptable financial accounting standards used in preparing the consolidated financial statements of the ultimate parent entity. The statutory income tax rate is 15%.

Certain subsidiaries operate in other jurisdictions where income taxes are imposed, including Norway, the United States, Argentina, Brazil and the United Kingdom. For legal entities operating in taxable jurisdictions, income tax is computed in accordance with the laws and regulations of the relevant taxing authority. The income tax rates imposed by these authorities vary. Taxable income may differ from accounting profit because of temporary differences and items that are taxable or deductible in different periods.

Current tax is the expected tax payable or receivable on the taxable profit or loss for the year, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which they can be utilised. Deferred tax assets and liabilities are measured at the tax rates expected to apply in the period when the asset is realised or the liability is settled, based on rates enacted or substantively enacted at the reporting date.

The effect of changes in tax rates or tax laws is recognised in the period in which the change is substantively enacted.

Uncertain tax positions are accounted for in accordance with *IFRIC 23 – Uncertainty over Income Tax Treatments*. The Group determines whether it is probable that a taxation authority will accept each uncertain tax treatment. If it is not probable, the Group measures the related tax liability or asset using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty.

Fourth quarter and full year 2025 report

Significant judgement is required in determining income tax provisions, deferred tax assets and liabilities, and uncertain tax positions. Tax filings are subject to routine audit by the authorities in most jurisdictions in which we operate. Any adjustments arising from these audits are recognised in the period in which they are resolved.

Earnings per Share (EPS)

Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share include the effect of all potentially dilutive ordinary shares, such as share options, performance-based or restricted share units, and other equity instruments that could be converted into ordinary shares. Potential ordinary shares are treated as dilutive only when their conversion would decrease earnings per share or increase the loss per share.

If applicable, profit attributable to ordinary shareholders is adjusted for any after-tax effects of preference dividends or other similar instruments classified as equity.

Deferred charges

Loan-related transaction costs, including debt arrangement and structuring fees, incurred on the initial arrangement of borrowings are capitalised and amortised over the term of the related loan using the effective interest method. Amortisation of such costs is included in interest expense in the consolidated statement of operations.

Subsequent costs associated with existing borrowings, such as commitment fees on undrawn facilities, are recognised in interest expense in the period in which they are incurred.

Unamortised transaction costs are presented as a deduction from the carrying amount of the associated financial liability in the consolidated balance sheet.

Share-based Compensation

The Group has previously established share-based payment plans under which employees, directors, and officers of the Archer Group may be granted options to subscribe for new shares in Archer or restricted stock units (RSUs).

The fair value of share options granted under the Group's employee share option plans is determined at the grant date, considering the terms and conditions of each grant and using a valuation technique consistent with generally accepted methodologies for pricing financial instruments. The fair value reflects all factors and assumptions that knowledgeable, willing market participants would consider in determining value.

The grant-date fair value of share options is recognised as personnel expenses with a corresponding increase in equity over the vesting period, which is the period during which employees become unconditionally entitled to the awards. The expense is recognised based on the number of awards expected to vest, with adjustments made to reflect actual forfeitures. The Group recognises the cumulative expense for equity-settled awards at each reporting date, reflecting the extent to which the vesting period has expired and management's best estimate of the number of awards that will ultimately vest.

At 31 December 2025, there were no stock options outstanding under the Group's share option grants.

The Board has from time to time granted restricted stock units (RSUs) to members of Archer's management team. RSUs typically vest in four equal annual tranches over a four-year period from the grant date.

Employer social security contributions or similar taxes that arise from these share-based payment programs are accrued over the vesting periods of the related instruments and are recognised as a liability when the obligation arises.

Financial Instruments

From time to time, the Group enters into interest rate swap or cap agreements to manage exposure to floating interest rate risk on its borrowings.

All derivative financial instruments are initially recognised and subsequently measured at fair value. Derivatives are presented as financial assets or financial liabilities depending on whether their fair value is positive or negative at the reporting date.

The Group may designate certain interest rate swaps as cash flow hedges of the variability in cash flows associated with recognised liabilities or forecast transactions. At the inception of the hedge relationship, the Group formally documents the relationship between the hedging instrument and the hedged item, as well as the risk management objective and strategy for undertaking the hedge. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the hedge is expected to be, and has been, highly effective in offsetting changes in cash flows attributable to the hedged risk.

When the interest rate swap qualifies for cash flow hedge accounting, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income (OCI) and accumulated in the cash flow hedge reserve within equity. Any ineffective portion of the change in fair value is recognised immediately in profit or loss under *Other financial items*.

If hedge accounting is not applied, changes in the fair value of interest rate swaps and caps are recognised directly in profit or loss within *Other financial items*.

Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker (CODM) to make decisions about resource allocation and performance assessment, and for which discrete financial information is available.

At 31 December 2025, our reporting segments are:

- Platform Operations
- Well Services
- Land Drilling
- Renewables

Corporate costs and corporate assets are reported as separate line items.

Segment information is presented in *Note 4– Segment Information*. The accounting policies applied to each segment are consistent with those used in the consolidated financial statements.

Related Party Transactions

Parties are considered to be related when one party has the ability, directly or indirectly, to control, jointly control, or exercise significant influence over the other party in making financial and operating decisions.

Parties are also related if they are subject to common control or common significant influence, or if they are members of the same group. Related parties include the parent company, subsidiaries, associates, joint ventures, key management personnel, and post-employment benefit plans for the benefit of employees of the Group or its related entities.

Transactions with related parties are carried out on an arm's-length basis and are disclosed in *Note [X] – Related Party Transactions* to the consolidated financial statements.

New and Amended Standards and Interpretations Not Yet Adopted

New or amended International Financial Reporting Standards (IFRS) and IFRIC Interpretations that became effective on 1 January 2025 did not have a material impact on the Group's consolidated financial statements.

Certain new standards and amendments have been issued but are not yet effective for the year ended 31 December 2025, and the Group has not early adopted them. These include, among others:

Amendments to IFRS 10 and IAS 28 – *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*;

Amendments to IAS 1 – *Classification of Liabilities as Current or Non-current*; and

IFRS 18 – *Presentation and Disclosure in Financial Statements*, issued in April 2024, which will replace IAS 1 and is effective for annual reporting periods beginning on or after 1 January 2027.

The Group is currently evaluating the impact of these standards and amendments and does not expect them to have a material effect on its consolidated financial statements upon adoption.

Fourth quarter and full year 2025 report

Note 3 Change in accounting policies

First-time adoption of IFRS

These financial statements for the year ending December 31, 2025, represent the first annual financial statements that the Company has prepared in accordance with IFRS® Accounting Standards as adopted by the EU (IFRS). Accordingly, the Company has prepared financial statements that comply with IFRS applicable as of December 31, 2025, together with comparative information for the year ended December 31, 2024, as described in the basis of preparation (Note 2). The financial statements has been prepared in accordance with IFRS® Accounting Standards and IAS 34 Interim Financial Reporting.

In preparing these financial statements, the Company prepared an opening statement of financial position as of January 1, 2024, which is the Company's date of transition to IFRS, in accordance with IFRS 1 *First-time Adoption of International Financial Reporting Standards*. This note explains the key adjustments made by the Company in converting from its former accounting framework, accounting principles generally accepted in the United States ("U.S. GAAP"), to IFRS as of January 1, 2024, and for the year ended December 31, 2024.

Exemptions applied

IFRS 1 permits certain optional exemptions from retrospective application of IFRS requirements. The Company has applied the following exemptions in its transition to IFRS:

- **Business combinations:** The Company has elected not to apply IFRS 3 *Business Combinations* retrospectively to business combinations that occurred prior to the transition date.
- **Cumulative translation differences:** The Company has elected to reset cumulative translation differences to zero at the date of transition to IFRS.
- **Borrowing costs:** The Company has elected not to restate borrowing costs capitalized under U.S. GAAP prior to the transition date.

Effect of transition to IFRS

The principal differences arising from the transition from U.S. GAAP to IFRS are summarized below:

- **Revenue recognition for reimbursable items**
Under U.S. GAAP, reimbursable revenue related to procurement activities was recognized on a gross basis, with Archer assessed as the principal in accordance with SEC guidance that supported gross presentation when reimbursable costs were integral to contract performance. IFRS 15 *Revenue from Contracts with Customers* requires the assessment to focus on whether the entity controls the specified goods or services before transferring them to the customer. For certain contracts, Archer has concluded that it acts as an agent under IFRS 15, resulting in reimbursable revenue and associated costs being presented on a net basis.
- **Lease accounting**
Under U.S. GAAP, leases were classified as either operating leases or finance leases. Rent expense for operating leases was recognized on a straight-line basis and presented within a single expense line item. Under IFRS 16 *Leases*, the Company applies a single lessee accounting model. Right-of-use assets and lease liabilities are recognized for substantially all leases, with depreciation of right-of-use assets and interest expense on lease liabilities presented separately in the statement of profit or loss. This results in a different classification pattern and timing of expenses compared to U.S. GAAP.
- **Capitalization of development costs**
Under U.S. GAAP, both research and development expenditures are expensed as incurred, except for certain software development activities. Capitalization of development costs is generally not permitted. Under IFRS, IAS 38 *Intangible Assets* distinguishes between research and development phases. Research expenditures are expensed as incurred, while development expenditures are capitalized when specific criteria are met, including technical feasibility, intention and ability to complete the asset, and the ability to generate probable future economic benefits. During 2024 and 2025, Archer initiated several development projects, primarily within the Well Services division. As part of the IFRS transition, these projects were assessed in accordance with IAS 38. Based on this assessment, the Company identified development activities meeting the capitalization criteria, and the related expenditures have been capitalized as intangible assets under IFRS.

Reconciliation

The impact of the transition to IFRS on the Consolidated Statements of Financial Position as of January 1, 2024, and December 31, 2024, is presented below. In addition, reconciliation of the Consolidated Statement of Profit or Loss, Consolidated Statement of Comprehensive Income, and Consolidated Statement of Cash Flows for the year ended December 31, 2024, are provided in the sections that follow. U.S. GAAP figures presented in the reconciliation are derived from the Company's Annual Report for the year ended December 31, 2024.

Fourth quarter and full year 2025 report

Reconciliation of Consolidated Balance Sheet as at January 1, 2024

(In USD million)		U.S. GAAP	Effect of transition to IFRS	IFRS
	IFRS adjustment	(Audited)		
ASSETS				
Property plant and equipment		313.1	—	313.1
Right of use assets		34.4	—	34.4
Goodwill		156.0	—	156.0
Intangible assets		2.8	—	2.8
Deferred tax asset		20.8	—	20.8
Investment in associates		12.3	—	12.3
Other current assets		11.6	—	11.6
Total noncurrent assets		550.9	—	550.9
Cash and cash equivalents		52.1	—	52.1
Restricted cash		3.5	—	3.5
Trade receivables		183.8	—	183.8
Inventories		75.0	—	75.0
Other current assets		40.4	—	40.4
Total current assets		354.8	—	354.8
Total assets		905.7	—	905.7
LIABILITIES AND SHAREHOLDERS' EQUITY				
Long-term interest-bearing debt		402.5	—	402.5
Operating Lease liabilities	1a	22.9	(22.9)	—
Lease liabilities (non-current)	1a	—	22.9	22.9
Deferred tax		0.3	—	0.3
Other non-current liabilities		6.3	—	6.3
Total non-current liabilities		432.0	—	432.0
Current portion of interest-bearing debt		17.6	—	17.6
Lease liabilities (current)	1b	—	11.4	11.4
Trade payables		75.5	—	75.5
Operating Lease liabilities	1b	11.4	(11.4)	—
Income tax	2	—	1.8	1.8
Other current liabilities	2	173.0	(1.8)	171.2
Total current liabilities		277.5	—	277.5
Shareholders' equity		196.2	—	196.2
Non-controlling interest in consolidated subsidiary		—	—	—
Total Equity		196.2	—	196.2
Total liabilities and shareholders' equity		905.7	—	905.7

IFRS adjustments of Consolidated Statement of Financial Position as at January 1, 2024

1. Leases were classified as either operating leases or finance leases under U.S. GAAP, while under IFRS there is only one classification when the Company is a lessee which resulted in the following reclassification adjustments
 - a) Operating lease liabilities of \$22.9 million were reclassified to “Lease liabilities (non-current)”.
 - b) Current operating lease liabilities of \$11.4 million have been reclassified to “Lease liabilities (current)”.
2. In accordance with IAS 1 *Presentation of Financial Statements* and IAS 12 *Income Taxes*, \$1.8 million in taxes payable has been reclassified from “Other current liabilities” and presented as a separate line item in the IFRS statement of financial position. IAS 12 requires current tax assets and liabilities to be presented separately from other items, resulting in taxes payable being shown as its own line item under IFRS.
3. Some financial statements line items have been updated under IFRS to the standard terms.

Fourth quarter and full year 2025 report

Reconciliation of Consolidated Balance Sheet as at December 31, 2024

(In USD million)		U.S. GAAP	Effect of transition to IFRS	IFRS
	IFRS adjustment	(Audited)		
ASSETS				
Property plant and equipment, net		342.6	—	342.6
Right of use assets		26.4	—	26.4
Goodwill		174.0	—	174.0
Intangible assets	2	19.3	4.0	23.3
Deferred tax asset		24.2	—	24.2
Other current assets		13.1	—	13.1
Total noncurrent assets		599.6	4.0	603.6
Cash and cash equivalents		76.8	—	76.8
Restricted cash		3.8	—	3.8
Trade receivables		187.8	—	187.8
Inventories		75.8	—	75.8
Other current assets		57.0	—	57.0
Total current assets		401.3	—	401.3
Total assets		1,000.8	4.0	1,004.8
LIABILITIES AND SHAREHOLDERS' EQUITY				
Long-term interest-bearing debt		418.1	—	418.1
Operating Lease liabilities	1a	15.6	(15.6)	—
Lease liabilities (non-current)	1a	—	15.6	15.6
Deferred tax		0.3	—	0.3
Other non-current liabilities		6.4	—	6.4
Total non-current liabilities		440.3	—	440.3
Current portion of interest-bearing debt		23.2	—	23.2
Lease liabilities (current)	1b	—	10.9	10.9
Trade payables		112.2	—	112.2
Operating Lease liabilities	1b	10.9	(10.9)	—
Income tax	3	—	9.5	9.5
Other current liabilities	3	191.3	(9.5)	181.8
Total current liabilities		337.7	—	337.7
Shareholders' equity	2	207.5	4.0	211.5
Non-controlling interest in consolidated subsidiary		15.4	—	15.4
Total Equity		222.9	4.0	226.9
Total liabilities and shareholders' equity		1,000.8	4.0	1,004.8

IFRS adjustments of Consolidated Statement of Financial Position as at December 31, 2024

1. Leases were classified as either operating leases or finance leases under U.S. GAAP, while under IFRS there is only one classification when the Company is a lessee which resulted in the following reclassification adjustments
 - a) Operating lease liabilities of \$15.6 million were reclassified to “Lease liabilities (non-current)”.
 - b) Current operating lease liabilities of \$10.9 million have been reclassified to “Lease liabilities (current)”.
2. Under U.S. GAAP, both research and development expenditures has been expensed as incurred. Under IFRS we have capitalized \$4.0 related to development activities that meet the recognition criteria for capitalization under IFRS. Equity has been increased accordantly.
3. In accordance with IAS 1 *Presentation of Financial Statements* and IAS 12 *Income Taxes*, \$9.5 million in taxes payable has been reclassified from “Other current liabilities” and presented as a separate line item in the IFRS statement of financial position. IAS 12 requires current tax assets and liabilities to be presented separately from other items, resulting in taxes payable being shown as its own line item under IFRS.
4. Some financial statements line items have been updated under IFRS to the standard terms.

Fourth quarter and full year 2025 report

Reconciliation of Consolidated Statements of Operations for the year ended December 31, 2024

(In USD millions)		U.S. GAAP	Effect of transition to IFRS	IFRS
Revenues	IFRS adjustment	(Audited)		
Operating revenues	1	1,096.9	(1,096.9)	—
Reimbursable revenues	1	203.7	(203.7)	—
Revenues	1,2	—	1,112.5	1,112.5
Other income	3,10	—	3.2	3.2
Total revenues and other income		1,300.7	(184.9)	1,115.6
Expenses				
Operating expenses	4	915.6	(915.6)	—
Reimbursable expenses	2,6	197.1	(197.1)	—
Operating lease costs	7	10.5	(10.5)	—
Depreciation and amortization	7	61.6	8.5	70.1
(Gain)/loss on sale of assets	3	(0.8)	0.8	—
Impairment charges		2.7	—	2.7
General and administrative expenses	8	42.6	(42.6)	—
Personnel expenses	4	—	537.5	537.5
Other operating expenses	4,5,6,7,8	—	424.4	424.5
Total expenses		1,229.4	(194.7)	1,034.8
Operating income		71.3	9.7	81.0
Gain on Bargain Purchase	10	0.1	(0.1)	—
Gain on equity method investment	10	2.3	(2.3)	—
Financial items				
Interest income	8	4.1	(4.1)	—
Interest expenses	8	(62.7)	62.7	—
Net interest expense	6, 8	—	(62.0)	(62.0)
Share of results in associated companies		2.1	—	2.1
Other financial items		(27.8)	—	(27.8)
Total financial items		(84.2)	(3.4)	(87.7)
Profit (loss) from continuing operations before income taxes		(10.6)	4.0	(6.6)
Income tax benefit (expense)		(14.6)	—	(14.6)
Profit (loss) from continuing operations		(25.2)	4.0	(21.2)
- Attributable to non-controlling interests		0.4	—	0.4
- Attributable to controlling interest		(25.6)	4.0	(21.6)
Gain (loss) per share - basic		(0.37)	0.06	(0.31)
Gain (loss) per share - diluted		(0.37)	0.06	(0.31)
Weighted average number of shares outstanding (million)				
Basic		68.6	—	68.6
Diluted		68.6	—	68.6

IFRS adjustments to the Consolidated Statement of Profit or Loss for the year ended December 31, 2024

1. Under IFRS, the Company has updated its revenue presentation. The previous U.S. GAAP line items “Revenue” (\$1,096.9 million) and “Reimbursable revenue” (\$203.7 million) have been combined and renamed “Revenues” to align with IFRS terminology and presentation requirements.

1. Under U.S. GAAP, reimbursable procurement revenue and related costs were presented on a gross basis. Under IFRS 15, Archer assessed that it acts as an agent for certain contracts, as it does not control the specified goods before they are transferred to the customer. As a result, these reimbursable items are presented net, reducing revenue and cost of sales by \$188.1 million.
2. Gains on disposal of property, plant and equipment amounting to \$0.8 million have been reclassified from “(Gain)/loss on sale of assets” under U.S. GAAP to “Other income” under IFRS. This reflects an IFRS presentation requirement and has no impact on total profit or equity.
3. Of the total \$915.6 million reported as operating expenses, \$537.5 million has been reclassified to “Personnel expenses”, while the remaining \$392.3 million is presented as “Other operating expenses”. This reclassification is made in accordance with IAS 1, which requires expenses to be presented by nature and aligned with their underlying characteristics.
4. Under U.S. GAAP, both research and development expenditures has been expensed as incurred. Under IFRS we have capitalized \$4.0 related to development activities that meet the recognition criteria for capitalization under IFRS. Operating expenses has been reduces accordingly.
5. An amount of \$9 million, previously presented as “Reimbursable expenses” under U.S. GAAP, is reclassified to “Other operating expenses” under IFRS.
6. Under U.S. GAAP, operating lease cost of \$10.5 million was recognized as a single operating expense. Under IFRS, this amount has been reclassified into “Depreciation and amortization” (\$8.5 million) and “Interest expense” (\$3.4 million) in accordance with the IFRS 16 lessee model.
7. Under U.S. GAAP, \$42.6 million presented as “General and administrative expenses” have been reclassified to “Other operating expenses” under IFRS to align with the Company’s nature-based expense presentation.
8. Interest income and interest expenses are shown net.
9. In accordance with U.S. GAAP, “Gain on Bargain Purchase” and “Gain on Equity Method Investments” are presented as separate line items. Under IFRS, these amounts are classified and presented as part of “Other income”.

Fourth quarter and full year 2025 report

Reconciliation of Other Comprehensive Loss December 31, 2024

		U.S. GAAP	Effect of transition to IFRS	IFRS
	IFRS adjustment			
Profit (loss)	1	(25.2)	4.0	(21.2)
Other comprehensive (loss)/income				
Currency translation differences		(14.2)	—	(14.2)
Release AOCI relating to Comtrac investment		(0.6)	—	(0.6)
Total other comprehensive income (loss)		(14.8)	—	(14.8)
Total comprehensive income (loss)		(40.0)	4.0	(36.0)
Attributable to:				
Non-controlling interest		0.3	—	0.3
Controlling interest		(40.4)	—	(40.4)

1. Refer to the section above detailing the IFRS adjustments to the Consolidated Statement of Profit or Loss for the year ended December 31, 2024.

Reconciliation of Accumulated Other Comprehensive Loss December 31, 2024

		U.S. GAAP	Effect of transition to IFRS	IFRS
	IFRS adjustment			
Accumulated Other Comprehensive Income (Loss)				
Currency translation differences	1	(5.6)	5.6	—
Other Comprehensive Income		0.6	—	0.6
Balance at January 1, 2024 - Restated		(5.0)	5.6	0.6
Currency translation differences	1	(19.8)	5.6	(14.2)
Other Comprehensive Income		—	—	—
Balance at December 31, 2024 - Restated		(19.8)	5.6	(14.2)

1. The Company has elected to reset cumulative translation differences to zero at the date of transition to IFRS. \$5.6 million has been reclassified from "Accumulated Other Comprehensive Loss" to "Accumulated Deficit".

Reconciliation of Consolidated Statement of Cash Flows for the year ended December 31, 2024

(In USD millions)		U.S. GAAP	Effect of transition to IFRS	IFRS
Cash Flows from Operating Activities	IFRS adjustment	(Audited)		
Net (loss)/profit from continuing operations	1	(25.2)	25.2	—
Profit (loss) before income taxes	1,2	—	(6.6)	(6.6)
Taxes paid	1	—	(8.7)	(8.7)
Depreciation and amortisation	3	61.1	8.5	69.6
Impairment of fixed assets		2.7	—	2.7
Share-based compensation expenses		0.4	—	0.4
Loss/(gain) on asset disposals		(0.2)	—	(0.2)
Share of result from associated companies		(2.1)	—	(2.1)
Amortisation of loan fees		6.8	—	6.8
Change in deferred and accrued taxes	1	5.9	(5.9)	—
Interest paid	4	—	55.8	55.8
Loss/(gain) on sale/purchase of business		(2.4)	—	(2.4)
Decrease/(increase) in accounts receivable and other current assets		15.2	—	15.2
Decrease/(increase) in inventories		6.2	—	6.2
(Decrease)/increase in accounts payable and other current liabilities		32.3	—	32.3
Change in other operating assets and liabilities net, inc non-cash fx effects		1.5	—	1.5
Net cash provided by operating activities		102.8	68.3	170.5
Cash Flows from Investing Activities				
Capital expenditures		(62.2)	—	(62.2)
Investment in development projects	2	—	(4.0)	(4.0)
Proceeds from sale of tangible fixed assets and marketable securities		0.7	—	0.7
Investment in / loans to associated entities		(2.5)	—	(2.5)
Business acquisition and investment in subsidiaries net of cash acquired		(54.9)	—	(54.9)
Net cash used by investing activities		(118.9)	4.0	(122.9)
Cash Flows from Financing Activities				
Borrowings under revolving facilities, other long-term debt and financial leases		17.4	—	17.4
Repayments under revolving facilities, other long-term debt and financial leases		(18.9)	—	(18.9)
Interest paid	3,4	—	(55.8)	(55.8)
Repayments of lease obligations	3	—	(8.0)	(8.0)
Net proceeds from equity issue		51.3	—	51.3
Cash settlement of restricted stock units		(0.3)	—	(0.3)
Net cash provided by financing activities		49.5	(63.8)	(14.3)
Effect of exchange rate changes on cash and cash equivalents		(8.4)	—	(8.4)
Net (decrease)/increase in cash and cash equivalents		25.1	—	25.1
Cash and cash equivalents, inc restricted cash, at beginning of the period		55.6	—	55.6
Cash and cash equivalents, inc restricted cash, at the end of the period		80.7	—	80.7

IFRS adjustments to the Consolidated Statement of Cash Flow for the year ended December 31, 2024

Fourth quarter and full year 2025 report

1. "Net (loss)/profit from continuing operations" is reclassified to "Profit before tax". Income tax is excluded, with corresponding change in tax paid (\$8.7 million) and change in deferred and accrued taxes (\$5.9 million).
2. Under U.S. GAAP, both research and development expenditures has been expensed as incurred. Under IFRS we have capitalized \$4.0 related to development activities that meet the recognition criteria for capitalization under IFRS. Profit before tax has been reduced accordingly.
3. Under U.S. GAAP operating lease cost is shown as an operating expense. Under IFRS \$8.5 million is added to depreciation cost and \$3.4 million is added at interest expense paid. \$8.0 million is moved to "Repayment of lease obligations"
4. Under IFRS, interest paid is reclassified from operating activities to financing activities.

Reconciliation of Consolidated Statement of Changes in Shareholders' Equity (unaudited) IFRS January 1, 2024

(In USD millions)		U.S. GAAP	Effect of transition to IFRS	IFRS
	IFRS adjustment	(Audited)		
Common shares		16.2	—	16.2
Additional Paid In Capital		1,052.1	—	1,052.1
Accumulated Deficit	1	(1,607.3)	(5.6)	(1,612.9)
Accumulated Other Comprehensive Loss	1	(5.0)	5.6	0.6
Contributed Surplus		740.1	—	740.1
Total Shareholders' Equity		196.2	—	196.2

IFRS adjustments to the Consolidated Statement of Equity for the year ended January 1, 2024

1. The Company has elected to reset cumulative translation differences to zero at the date of transition to IFRS.

Reconciliation of Consolidated Statement of Changes in Shareholders' Equity (unaudited) IFRS December 31, 2024

(In USD millions)		U.S. GAAP	Effect of transition to IFRS	IFRS
	IFRS adjustment	(Audited)		
Common shares		0.9	—	0.9
Additional Paid In Capital		1,119.0	—	1,119.0
Accumulated Deficit	1,2	(1,632.9)	(1.6)	(1,634.5)
Accumulated Other Comprehensive Loss	1	(19.8)	5.6	(14.2)
Contributed Surplus		740.1	—	740.1
Total Shareholders' Equity		207.5	4.0	211.5

IFRS adjustments to the Consolidated Statement of Equity for the year ended December 31, 2024

1. The Company has elected to reset cumulative translation differences to zero at the date of transition to IFRS.

2. Refer to the section above detailing the IFRS adjustments to the Consolidated Statement of Profit or Loss for the year ended December 31, 2024.

Fourth quarter and full year 2025 report

Note 4 Segment Information

Archer reports financial information to its Board of Directors, which acts as the Group's Chief Operating Decision Maker ("CODM"). The CODM reviews segment results to assess performance and to allocate resources. Operating segments are identified based on the nature of services provided, and the internal reports regularly reviewed by the CODM in accordance with IFRS 8 *Operating Segments*.

The Group presents its operations under the following reporting segments:

- **Platform Operations**
- **Well Services**
- **Renewables**
- **Land Drilling**

Corporate costs and corporate assets are reported separately and are not allocated to operating segments.

The accounting policies applied in determining segment information are consistent with the accounting principles used in the consolidated financial statements. The tables presented below and on the following page disclose revenues, depreciation and amortisation, operating income, capital expenditures, goodwill and total assets by segment.

Segment information

(In USD millions)	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024 Restated	2025	2024 Restated
Revenues from external customers				
Platform Operations	114.0	98.6	470.7	447.8
Well Services	88.0	78.2	299.9	274.8
Renewables	35.9	16.5	124.6	16.5
Land Drilling	63.5	100.8	301.9	376.6
Total revenue	301.4	294.1	1,197.1	1,115.6
Depreciation and amortisation				
Platform Operations	3.8	5.0	17.0	22.7
Well Services	10.4	5.3	32.2	19.0
Renewables	0.6	1.7	5.0	1.8
Land Drilling	7.6	6.7	23.9	26.6
Total depreciation and amortisation	22.5	18.7	78.1	70.1
Operating income/net income				
Platform Operations	8.3	9.2	42.3	38.6
Well Services	5.1	11.5	36.4	43.4
Renewables	1.7	(0.5)	7.9	(0.3)
Land Drilling	(15.2)	2.9	(24.2)	9.4
Corporate Cost	0.6	(3.1)	(4.3)	(10.1)
Stock compensation cost	-	-	-	-
Total operating income / (loss)	0.5	20.0	58.2	81.0
Total financial items	(15.2)	(30.9)	(93.8)	(87.7)
Income taxes	(2.6)	(6.4)	(0.1)	(14.6)
Income/(loss) from continuing operations	(17.1)	(17.4)	(35.7)	(21.2)

Capital Expenditures

Platform Operations	4.6	3.2	18.4	15.4
Well Services	8.7	5.8	19.0	17.3
Renewables	6.8	1.9	9.7	1.9
Shared assets*	0.8	3.2	3.9	7.7
Total Excluding Land Drilling	20.9	14.0	51.1	42.2
Land Drilling	2.5	4.1	7.9	19.9
Total	23.4	18.1	59.0	62.2

* Assets shared by Platform Operations and Well Services segments include shared office and admin facilities, cash and tax assets and liabilities

Goodwill

(In USD millions)	Land Drilling	Platform Operations	Well Services	Renewables	Total
Balance at December 31, 2024 - restated	1.7	70.3	99.1	3.1	174.0
Acquisition of WellConnection Norway AS / WellMachining AS	-	-	2.5	-	2.5
Acquisition of Premium Oilfield Services	-	-	3.2	-	3.2
Translation adjustments	-	7.9	8.2	0.3	16.5
Balance at December 31, 2025	1.7	78.2	112.9	3.4	196.2

Total assets

(In USD millions)	December 31, 2025	December 31, 2024
Platform Operations	272.6	166.3
Well Services	358.6	331.8
Shared assets*	86.4	134.6
Renewables	77.5	64.6
Land Drilling	271.7	304.3
Corporate	5.1	3.1
Total	1,072.0	1,004.8

* Assets shared by Platform Operations and Well Services segments include shared office and admin facilities, cash and tax assets and liabilities

Fourth quarter and full year 2025 report

Note 5 Revenue from contracts with customers

The following table provides information about receivables, contract assets and contract liabilities from our contracts with customers:

Revenue from contracts with customers

(In USD millions)	December 31, 2025	December 31, 2024
		Restated
Revenue from contract with customers	1,177.7	1,096.9
Reimbursable revenue / handling income	19.0	15.6
Total Revenues	1,196.8	1,112.5
Gain on equity method investment	—	2.3
Gain on bargain purchase	—	0.1
Gain on sale of equipment	0.3	0.8
Total Other Income	0.3	3.2

Note 6 Other Financial Items

Other Financial Items

(In USD million)	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024 Restated	2025	2024 Restated
Foreign exchange gains / (losses)	0.3	(9.1)	8.9	(20.9)
Extinguishment of accrued prepaid debt fees	—	—	(16.2)	—
Other items	(1.0)	(7.4)	(5.6)	(6.8)
Total other financial items	(0.7)	(16.5)	(12.5)	(27.8)

Prepaid debt fees that had been accrued and not amortized in relation to the First Lien Debt and Second Lien Bond, at the time of the early redemption, was expensed. This amounted to \$16.2 million.

Foreign exchange gains for the twelve months ended December 31, 2025, includes net gains of \$23.8 million in Archer Norge AS, a 100% owned subsidiary with NOK functional currency. The net gains reported by Archer Norge AS include a gain of around \$61.6 million on USD denominated external loan facilities and losses of around \$32.7 million in respect of internal receivable loan balances denominated in USD. The FX gains and losses in subsidiaries reporting in NOK are offset in equity by translation adjustments, recognised in accumulated other comprehensive income, which result from the translation of the NOK financial statements to USD prior to consolidation.

Note 7 Property plant and equipment

(In USD millions)	Operational equipment	Other fixed assets	Assets under construction	TOTAL
As of January 1, 2024 (U.S. GAAP)	274.1	14.5	24.5	313.1
Effect of transition to IFRS	—	—	—	—
As of January 1, 2024 - Restated	274.1	14.5	24.5	313.1
Additions	43.6	7.4	(1.5)	49.5
Recognised on business acquisitions	47.1	—	—	47.1
Depreciation	(59.2)	(2.4)	—	(61.6)
Impairment	(2.7)	—	—	(2.7)
Disposals	1.0	0.0	—	(1.0)
Translation adjustments	(1.6)	(1.2)	(1.0)	(3.8)
As of December 31, 2024 - Restated	302.3	18.3	22.0	342.6
Additions	64.4	8.5	(11.1)	61.8
Recognised on business acquisitions	8.0	1.9	—	9.9
Disposals	(17.6)	(0.9)	—	(18.6)
Depreciation	(56.7)	(7.7)	—	(64.4)
Sale of business	(13.2)	—	—	(13.2)
Impairment	(7.8)	—	—	(7.8)
Translation adjustments	15.4	4.7	—	19.1
As of December 31, 2025	299.5	24.8	10.9	334.2

Impairment of Assets

Assets are reviewed for impairment whenever events or changes in circumstances suggest that their carrying value may exceed their recoverable amount. If an asset was impaired in prior periods, it is re-evaluated when there are indications that the previously recognised impairment loss may no longer exist or may have decreased.

During the fourth quarter of 2025, Archer recognised a total impairment charge of \$7.8 million mainly related to two land rigs located in Iceland and Argentina. The impairments were driven by updated assessments of expected future cash flows and changes in market conditions, which together indicated that the carrying amounts could no longer be supported.

Geothermal Drilling Rig

The recoverable amount of the geothermal drilling rig was estimated using a value-in-use calculation based on updated cash flow projections. The assessment reflects management's expectations for future performance over the rig's remaining estimated useful life of 20 years, including a residual terminal value at the end of its life with an assumed long-term growth rate of 2.5%. A WACC of 8.87% was applied to the projected cash flows.

As a result of the impairment review, the carrying amount of the geothermal drilling rig Tyr has been reduced by \$1.1 million to \$7.1 million. Future depreciation and amortisation will be based on this revised amount.

A sensitivity analysis shows that changes in key assumptions could result in additional impairment. An increase of 0.5 percentage points in the discount rate or a 10% reduction in forecast cash flows would lower the recoverable amount further.

Land Drilling Rig

As part of the impairment assessment, one of the Group's land rigs was also identified as having a carrying amount that could not be supported. The rig is currently not on contract, and no future cash inflows are expected from its use. Accordingly, value in use was assessed at zero, and an independent external market valuation was obtained to determine its recoverable amount.

Fourth quarter and full year 2025 report

The external valuation indicated a recoverable amount below the previous carrying amount, and an impairment charge of \$5.1 million has been recognised. The carrying amount of the land rig has therefore been reduced to \$11.2 million, and depreciation going forward will be calculated based on this revised amount.

While the valuation reflects current market conditions, future changes in demand and pricing for similar rigs may lead to further adjustments to the recoverable amount.

Note 8 Goodwill

Goodwill represents the excess of purchase price over the fair value of tangible and identifiable intangible assets acquired.

Goodwill

(In USD millions)	
Net book balance January 1, 2024 (U.S. GAAP)	156.0
Effect of transition to IFRS	—
Net book balance January 1, 2024 - Restated	156.0
Goodwill acquired in relation to the Vertikal Services AS	3.1
Goodwill acquired in relation to the ADA Argentina SRL	1.7
Goodwill acquired in relation to Wellbore Rental and Fishing LLC	26.5
Translation adjustments	(13.3)
Net book balance at December 31, 2024 - Restated	174.0
Goodwill acquired on purchase of WellConnection Norway AS	2.5
Goodwill acquired on purchase of Premium Oilfield Services LLC	3.2
Translation adjustments	16.5
Net book balance at December 31, 2025	196.2

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 involves significant judgment 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. In the event that market conditions deteriorate or there is a prolonged downturn, the Group may be required to record an impairment of goodwill, and such impairment could be material.

The majority of our goodwill relates to our Platform Operation and Well Services reporting segment, see Note 4 Segment Information. These divisions have seen improved results in the last couple of years, and they have a solid contract backlog for the next 3-5 years. Based on the combined improved results, order backlog and forecasts, we identified no impairment indicators at December 31, 2025.

Note 9 Intangible assets

(In USD millions)	Customer relations	Other intangible Assets	Development	TOTAL
As of January 1, 2024 (U.S. GAAP)	—	2.8	—	2.8
Effect of transition to IFRS	—	—	—	—
As of January 1, 2024 - Restated	—	2.8	—	2.8
Additions	—	0.7	4.0	4.7
Recognised on business acquisitions	12.3	5.2	—	17.5
Depreciation	-	(1.7)	—	(1.7)

As of December 31, 2024 - Restated	12.3	7.0	4.0	23.3
Additions	-	6.1	5.3	11.4
Recognised on business acquisitions	2.2	1.1	—	3.3
Depreciation	(1.4)	(3.0)	(0.9)	(5.3)
As of December 31, 2025	13.0	11.2	8.4	32.5

Note 10 Right of use assets

(In USD millions)	
As of January 1, 2024 (U.S. GAAP)	34.4
Effect of transition to IFRS	—
As of January 1, 2024 - Restated	34.4
Additions	—
Recognised on business acquisitions	1.4
Depreciation	(8.4)
Translation adjustments	(0.9)
As of December 31, 2024 - Restated	26.4
Additions	31.3
Recognised on business acquisitions	4.8
Disposals	(0.7)
Depreciation	(9.7)
Translation adjustments	5.3
As of December 31, 2025	57.6

Right-of-use assets are related to properties and two operating lease agreements.

Note 11 Long-term, Interest Bearing Debt

(In USD millions)	December 31, 2025			December 31, 2024 Restated		
	Loan balance	Unamortised debt issuance costs	Loan balance less unamortised debt issuance costs	Loan balance	Unamortised debt issuance costs	Loan balance less unamortised debt issuance costs
First Lien Facility	—	—	—	207.5	(2.3)	205.2
Second Lien Bond	—	—	—	215.4	(15.0)	200.4
Senior Secured Bonds	425.0	(6.5)	418.5	—	—	—
Overdraft facilities	16.5	(1.0)	15.5	—	—	—
Other loans	33.9	—	33.9	35.8	—	35.8
Total loans	475.4	(7.5)	467.9	458.7	(17.4)	441.3
Less: current portion	(39.7)	1.9	(37.8)	(29.7)	6.4	(23.2)
Long-term portion of interest-bearing debt	435.7	(5.6)	430.1	429.0	(10.9)	418.1

Senior Secured Bonds

Fourth quarter and full year 2025 report

In February 2025, Archer's indirectly wholly owned subsidiary, Archer Norge AS, issued 5 year USD 425 million senior secured bonds, carrying a coupon of 9.5% (the "Senior Secured Bonds"). The proceeds from the bonds' issuance were applied towards the full repayment of the First Lien Facility and the Second Lien Bond.

From 2026, the Company will redeem \$15 million of the bonds annually. The Company has an option to redeem the bonds at (i) the make-whole price for the first 3.0 years, (ii) at 104.75% of the nominal amount after 3.0 years until 3.5 years, (iii) at 103.8% of the nominal amount after 3.5 years until 4.0 years, (iv) at 102.85% of the nominal amount after 4.0 years until 4.5 years, and (v) at 100.5% after 4.5 years. The Senior Secured Bonds shares the same security as the Revolving Credit Facility, subject to the senior status of the Revolving Credit Facility.

The Senior Secured Bonds contains certain financial covenants, including, among others:

- The Company shall ensure that the free liquidity of the Group is at all times the higher of USD 30 million and 5.00 percent of gross interest-bearing debt.
- The Company shall ensure that the interest coverage ratio is minimum 2.00:1.

The Senior Secured Bonds 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, 2025, the Company is compliant with all covenants under the Senior Secured Bonds.

Revolving Credit Facility

In connection with the Senior Secured Bonds issuance, Archer established a \$75 million revolving credit facility, ranking super senior to the Senior Secured Bonds, with a tenor of 4.5 years (the "Revolving Credit Facility"). The interest on the loan is Secured Overnight Financing Rate, or "SOFR" + a margin of 300 basis points. In addition, Archer established a guarantee facility of \$5 million. The total \$75.0 million of the Revolving Credit Facility is carved out into two overdraft facility of \$35.0 million and \$40.0 million respectively. The Revolving Credit Facility is secured by pledges over shares in material subsidiaries, assignment over intercompany debt and guarantees issued by the material subsidiaries.

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

- The Company shall ensure that the free liquidity of the Group is at all times the higher of USD 30 million and 5.00 percent of gross interest-bearing debt.
- The Company shall ensure that the interest coverage ratio is minimum 2.50:1.

The Revolving Credit 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, 2025, the Company is compliant with all covenants under this Revolving Credit Facility.

Other loans

As described above, a total of \$75.0 million of the Revolving Credit Facility is carved out into overdraft facilities. A total of \$16.5 million was drawn under the overdraft facilities at December 31, 2025.

During 2024, we acquired external financing as part of our business acquisition discussed in Note 16 Business Acquisitions above. At December 31, 2025 the balance of finance relating to these acquisitions was \$5.5 million, the majority of which was added on the consolidation of Iceland Drilling.

We have finance arrangements relating to equipment in our Well Services and Platform Operation division. On December 31, 2025, the balance included in Other debt relating to these arrangements was \$28.4 million.

Note 12 Leases

The company has historically leased some operating assets, office and warehouse facilities and office equipment under operating leases. For material operating leases, we have recognised the relevant right of use assets and lease liabilities in our balance sheet. The leases have remaining lease terms of 1 to 13 years at December 31, 2025. Some operating leases include options to extend the leases for up to 20 years.

Details of leased assets are reported in note9.

For the capitalisation of right of use assets, we have calculated an incremental borrowing rate, or IBR, for discounting each lease's cash-flows to arrive at an initial value for the lease liability and right of use asset. The IBR is calculated as a function of the following elements/considerations;

- Base rate – generally the inter-bank lending rate in the relevant jurisdictions,
- Credit spread – we estimate the effect of the lessee credit worthiness
- Country risk premium
- Inflation differential
- Contract term
- Security or collateral provided in the lease contract.

Significant judgment is required in estimating some of these elements. We apply a consistent methodology in estimating IBR for each lease.

We have elected not to recognise the right of use of assets and lease liability for short term leases.

The Company's leasing activities for the year ended December 31, 2025 is analysed in the table below;

Lease obligations

(In USD million)

Lease obligations at January 1, 2024 - Restated	34.4
Effect of transition to IFRS	-
New leases	-
Acquired on business acquisition	-
Repayments	(8.0)
Translation adjustments	-
Lease obligations at December 31, 2024 - Restated	26.4
New lease capitalisations	32.5
Acquired on business acquisition	3.8
Repayments	(8.0)
Capitalised leases terminated	(0.6)
Translation adjustments	5.3
Lease obligations at December 31, 2025	59.4

Fourth quarter and full year 2025 report

Supplemental information December 31, 2025

(In USD millions)	Short term leases	Capitalised leases
Interest on lease liabilities	-	4.4
Total lease costs	40.6	12.5
Weighted average remaining lease term in years	-	8.7
Weighted average discount rate	-	9.5%

Supplemental information December 31, 2024

(In USD millions)	Short term leases	Capitalised leases
Interest on lease liabilities	-	3.4
Total lease costs	38.4	10.5
Weighted average remaining lease term in years	-	5.7
Weighted average discount rate	-	9.2%

Note 13 Fair Value of Financial Instruments

The estimated fair value and the carrying value of our financial instruments are as follows:

Carrying value of financial instruments

(In USD millions)	December 31, 2025		December 31, 2024 Restated	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Non-derivatives				
Cash and cash equivalents	41.6	41.6	76.8	76.8
Restricted cash	1.8	1.8	3.8	3.8
Trade receivable	204.4	204.4	187.8	187.8
Trade payable	(107.8)	(107.8)	(112.2)	(112.2)
Current portion of interest-bearing debt	(37.8)	(37.8)	(23.2)	(23.2)
Current portion of lease liability	(11.3)	(11.3)	(10.9)	(10.9)
Long-term interest-bearing debt	(25.0)	(25.0)	(213.6)	(213.6)
Bonds (long term)	(434.4)	(405.1)	(228.8)	(215.4)
Long-term lease liability	(48.1)	(48.1)	(15.6)	(15.6)

The aforementioned financial assets are measured at fair value on a recurring basis as follows:

Financial assets and liabilities

(In USD millions)	December 31, 2025		Fair Value Measurements at Reporting Date Using		
	Fair Value	Level 1	Level 2	Level 3	
Assets					
Cash and cash equivalents	41.6	41.6	—	—	
Restricted cash	1.8	1.8	—	—	
Trade receivable	204.4	—	204.4	—	
Liabilities					
Trade payable	(107.8)	—	(107.8)	—	
Current portion of interest-bearing debt	(37.8)	—	(37.8)	—	
Current portion of lease liability	(11.3)	—	(11.3)	—	
Long-term, interest-bearing debt	(25.0)	—	(25.0)	—	
Bonds (long term)	(434.4)	—	(405.1)	—	
Long-term lease liability	(48.1)	—	(48.1)	—	

Level 1: Quoted prices in active markets for identical assets

Level 2: Significant other observable inputs

Level 3: Significant unobservable inputs

We used a variety of methods and assumptions, which are based on market conditions and risks existing at the time, to estimate the fair value of our financial instruments. For certain instruments, including cash and cash equivalents, it is assumed that the carrying amount approximated fair value due to the short-term maturity of those instruments.

The fair value of Bonds is based on the last reported trading price of the Bonds prior to the close of the quarter.

The fair value of the current portion of long-term debt is estimated to be equal to the carrying value, since it is repayable within twelve months. The fair value of the long-term portion of floating rate debt is estimated to be equal to the carrying value adjusted for the prepaid debt fees (outstanding balance), since it bears variable interest rates, which are reset on a quarterly basis. This debt is not freely tradable, and we cannot purchase them at prices other than the outstanding balance plus accrued interest.

Restricted cash consists mainly of bank deposits arising from advance employee tax withholdings.

Note 14 Equity

(In USD millions)	December 31, 2025		December 31, 2024 Restated	
	Shares	\$ million	Shares	\$ million
Authorized share capital	150,000,000	1.5	150,000,000	1.5
Issued, outstanding and fully paid share capital	99,495,398	1.0	90,536,134	0.9

Archer shares are traded on the Oslo Stock exchange with the ticker "ARCH".

109,264 shares were issued in November 2025 in order to settle obligations under Archer's LTIP program.

To finance the acquisition of Premium Oilfield Services, Archer issued 8,848,000 ordinary shares at an issue price of 22.50 NOK per share, raising USD 20 million in gross proceeds, in a Private Placement in September 2025.

Fourth quarter and full year 2025 report

On the acquisition of 65% of Vertikal Services AS we recognised the 35% non-controlling interest at an estimated fair value of NOK 4 million, or \$0.4 million.

On the acquisition of 60% of Iceland Drilling we recognised the 40% non-controlling interest at an estimated fair value of \$14.8 million.

Note 15 Earnings Per Share

The computation of basic earnings per share (EPS) is based on the weighted average number of shares outstanding during the period. Diluted EPS includes the effect of the assumed conversion of potentially dilutive instruments. The denominator used for the computation of basic and diluted earnings was computed as follows:

Weighted number of shares outstanding

(In thousands)	Three Months Ended December 31, 2025,		Twelve Months Ended December 31,	
	2025	2024 Restated	2025	2024 Restated
Denominator				
Weighted-average common shares outstanding	99,479	79,354	92,840	68,586
Effect of potentially dilutive common shares	223	142	231	192
Weighted-average common shares outstanding and assumed conversions	99,682	79,497	93,071	68,778

Note 16 Business Acquisitions

Acquisitions and sales in 2025

Premium Oilfield Services LLC

In September 2025 Archer Well Company Inc, a 100% owned Archer subsidiary, agreed to the purchase 100% of the members' interests in Premium Oilfield Services LLC, (or "Premium"), from Composite Intermediate Holdings LLC, an unrelated third party for \$20.7 million. Premium is engaged in the provision of wireline, thru-tubing fishing, and whipstocks services in the North American oilfield market. The fair value of assets acquired is summarised below:

Fair value of assets acquired (preliminary)

	USD millions
Cash	1.1
Receivables	8.5
Inventories	1.3
Property plant and equipment	11.5
Intangible assets: Trade name and customer relations	3.2
Lease obligations	(4.5)
Payables and other liabilities	(3.6)
Net Assets	17.4

The \$3.25 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, and synergies within Well services segment.

Wellconnection Norway AS and Wellmaching AS

In June 2025 Archer AS agreed to the purchase of two subsidiaries, Well Machining AS and Wellconnection Norway AS from Wellconnection Group AS, an unrelated third party for NOK 30,200,000, or USD 3.0 million. Wellconnection is a provider of well services and has historically provided services to our Well Services division. The purchase will assist in continuity of supplies necessary of Archer's service offering. In addition to cash price of NOK 30.2 million, Archer has assumed NOK 27.2 million of shareholder loans payable to the acquired entities. The fair value of assets acquired is summarised below:

Fair value of assets acquired (preliminary)

	USD millions
Cash	1.6
Receivables	3.1
Inventories	0.1
Property plant and equipment	2.1
Intangible assets: Research and development	0.2
Deferred tax	1.2
Payables and other liabilities	(7.8)
Net Assets	0.5

The \$2.5 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, and synergies within Well services segment.

Fourth quarter and full year 2025 report

The table below shows the revenues and net results included in our consolidated 2025 financial statements relating to the acquisitions above, and corresponding pro forma figures which would have been included had the acquisitions occurred January 1, 2025.

Additional data in USD millions

Acquisition	Included in 2025 consolidated income statements		Revenue	Full year 2025	
	Revenue	Net result		Revenue	Net result
Wellconnection	1.9	(0.2)	3.2	2.8	
Premium Oilfield Services LLC	6.9	0.5	29.2	2.1	
Total	8.8	0.3	32.4	4.9	

D&K Logistics Grandeur Pte Ltd.

On May 15, 2025 Archer Holdco LLC, a 100% owned Archer subsidiary, entered into an agreement to purchase D&K Logistics Grandeur Pte Ltd, a special purpose entity (or "SPV") based in Singapore from Luca Energy Private Limited, an unrelated third party. The SPV holds one asset, a modular unit, the Asian Pearl 101 drilling rig, which will be deployed by Archer's platform operations division. The purchase is accounted for as an asset acquisition. The SPV was purchased for \$4.7 million, being the fair value of its single asset.

Sale of part of Land Drilling operations

During the second quarter, we sold part of our land drilling operations, comprising two rigs and associated assets and liabilities to Pan American Energy, for \$4.6 million. The transaction resulted in the recognition of a loss on sale of \$8.7 million

Sale of workover business in the southern part of Argentina

During the fourth quarter 2025 we initiated the sale of our remaining workover and pulling unit business in the southern part of Argentina. The market for the workover business in the southern part of Argentina has been declining, as the market for conventional oil production in Argentina South is reducing. The sale is an overall reduction of our risk and exposure in a declining market. Archer focus going forward is to grow our drilling business in the growing unconventional market in Vaca Muerta.

We completed the sale of 12 workover and 12 pulling units on 30th January 2026. The transaction involved transferring all assets and liabilities related to the workover business, including 750 employees. The final result of the transaction will be accounted for during the first quarter 2026. However, based on the estimated loss from the sale of the business of around \$20 million, \$13.2 million has been accounted as loss in 2025. The loss of \$13.2 million is attributable to an impairment of the assets being sold as part of the transaction.

Acquisitions in 2024

Wellbore Fishing and Rental Tools LLC

On October 25, 2024 we acquired Wellbore Fishing and Rental Tools LLC (or "WFR"). WFR is an unrelated US based technology player, focused on fishing operations in the oil and gas sector, whose operations expand and complement well services already provided by Archer. Purchase consideration comprised an initial payment of \$50.7 million, plus a deferred payment of \$1.5 million due in November 2025. The acquisition strengthens Archer's presence in the Gulf of America and will build on our relationships with global entities involved in the oil and gas industry in the region. Clear and tangible cost and revenue synergies are expected to result from the acquisition. Fair value of the assets acquired is detailed in the table below:

Fair value of assets acquired (preliminary)

	USD millions
Cash	1.4
Receivables	9.5
Inventories	3.1

Property plant and equipment	7.7
Intangible assets Customer relations	12.3
Trade name	1.0
Payables	(8.1)
External debt	(1.1)
Net Assets	25.7

The \$26.5 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, and synergies within Well Services segment.

Iceland Drilling Company Ltd.

In 2022, as part of Archer's energy transition strategy, we invested in a 50% share of Iceland Drilling, an international geothermal drilling and integrated service company headquartered in Iceland. The investment has been classified 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 \$2.5 million. In addition, we have recognised additional purchase consideration of \$1.4 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 have 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, which resulted in the recognition of a gain of \$0.1 million. No goodwill has been recognised in respect of this acquisition.

The functional currency of Iceland Drilling is the Icelandic Krona (ISK). The USD equivalent of the fair value of Iceland Drilling assets consolidated on acquisition of control are as follows;

Fair value of assets acquired

	ISK millions	Equivalent to USD millions
Cash	320.8	2.3
Receivables	1,491.6	10.9
Inventories	885.1	6.4
Property plant and equipment	4,739.4	34.7
Deferred tax	182.0	1.3
Contact assets (Mobilisation costs)	501.4	3.7
Payables	(775.3)	(5.7)
Prepaid revenue	(13.8)	(0.1)
Contract liabilities (Mobilisation revenues)	(797.9)	(5.8)
External debt	2,382.6	(17.4)
Net Assets	4,160.8	30.4

Comtrac AS

Fourth quarter and full year 2025 report

Since 2020 Archer's fully owned Norwegian subsidiary 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 \$0.5 million. This was increased by the purchase consideration of \$0.4 million which was paid to IKM for its 50% shareholding in Comtrac AS, bringing total carrying value of the investment to \$0.9 million. In addition, we have a long-term loan receivable from Comtrac, at acquisition date, of \$2.6 million, bringing total carrying value of the investment to USD 3.5 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)	(Equivalent to USD millions)
Cash	0.4	0.04
Receivables	0.7	0.1
Intangible assets	48.7	4.5
Deferred tax assets	19.0	1.8
Accounts payable and accrued expenses	(5.4)	(0.5)
Balance due to lease finance	(2.7)	(0.3)
Total fair value of assets acquired	60.7	5.6

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 \$2.3 million. This is reflected as an increase in the carrying value of our investment in the equity of Comtrac AS and a gain on bargain purchase in the third quarter 2024 income statement. The gain relates mainly to deferred tax assets acquired.

ADA Argentina SRL

On July 31, 2024, Archer'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)
Cash	0.2
Receivables	2.5
Inventory	0.4
Deferred tax assets	0.2
Tangible fixed assets	1.9

Payables	(1.4)
Total fair value of assets acquired	3.9

The \$1.7 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, and synergies within Land Drilling segment.

Moreld Ocean Wind AS

On July 1, 2024 Archer 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.

The sale and purchase agreement provided that Archer purchased 100% of the issued and fully paid-up shares for a consideration of \$1.8 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)	(Equivalent to USD millions)
Receivables	47.2	4.4
Tangible fixed assets	0.1	0.0
Licences	8.2	0.8
Shares in Ocergy	21.1	2.0
Deferred taxes	25.0	2.3
Accounts payable	(7.5)	(0.7)
Accruals, deferred income and other payables	(71.8)	(6.7)
Total fair value of assets acquired	22.4	2.1

The difference of \$0.3 million between the purchase consideration and the fair value of the net assets acquired is recognised as a gain on bargain purchase in the third quarter 2024 income statement.

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 (or \$2.3 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 \$0.1 million. Total purchase

Fourth quarter and full year 2025 report

consideration recognised by Archer as investment in subsidiary total NOK 25,500,000 (or \$2.4 million) comprising \$2.3 million for the purchase of 1000 shares from the existing shareholders and \$0.1 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)	(Equivalent to USD millions)
Cash	9.2	0.8
Receivables	36.2	3.3
Tangible fixed assets	4.6	0.4
Loan finance	(4.4)	(0.4)
Accounts payable	(22.1)	(2.0)
Accruals and other payables	(27.6)	(2.5)
Total fair value of assets acquired	(3.9)	(0.3)

The business contributed as capital has been valued at NOK 21.45 million (or \$1.9 million), and the fair value resulting non-controlling interest of 35% of Vertikal is estimated to be NOK 4 million (or \$0.4 million). On consolidation of Vertikal into the Group financial statements we have recognised goodwill of \$3.1 million which represents the assembled workforce and experience, and know-how acquired.

Goodwill was calculated as follows:

Composition of goodwill

	(In USD millions equivalent)
Purchase consideration	2.4
Negative net assets acquired	0.3
Recognition of non-controlling interest	0.4
Total Goodwill	3.1

The table below shows the revenues and net results included in our consolidated 2025 financial statements relating to the acquisitions above, and corresponding pro forma figures which would have been included had the acquisitions occurred January 1, 2025.

Additional data in USD millions

Acquisition	Included in 2024 consolidated income statements		Full year 2024	
	Revenue	Net result	Revenue	Net result
Vertikal Services AS	9.8	(0.9)	19.2	(0.8)
Archer Wind AS	9.7	0.4	12.1	(2.2)
ADA Argentina SRL	4.0	0.5	9.8	0.3
WFR	4.8	0.0	39.7	7.3
Iceland Drilling Company Ltd.	9.0	0.6	63.7	2.9
Total	37.3	0.6	144.5	7.4

Note 17 Income Tax

Income Tax

Income tax expense for 2025 was \$0.1 million (2024: \$14.6 million). The Group's effective tax rate (ETR) for the period is 0.2% (2024: 138%). The decrease in the ETR compared with the prior year period is mainly due to:

- A higher proportion of deductible expenses in the current period
- Reduction of valuation allowance in certain jurisdictions

Deferred tax assets and liabilities

Deferred tax assets increased by \$15.4 million during the period (2024: \$24.2 million). The movement primarily reflects:

- Updated forecasts related to the recoverability of tax losses
- Temporary differences arising from property, plant and equipment

Deferred tax liabilities remained unchanged from the prior period, with no material movements during the interim period.

No material uncertain tax positions were recognised or resolved during the period. There have been no changes in applicable tax rates or tax laws that significantly impact the Group's tax position.

Management continues to assess the recoverability of deferred tax assets on the basis of expected future taxable profits.

Note 18 Commitments and contingencies

Purchase commitments

As of December 31, 2025, we have committed to purchase obligations including capital expenditures amounting to \$44.3 million, (2024: \$30.4 million).

Contingencies

Contingent consideration in respect of our business acquisitions is discussed in note 16 above.

Legal Proceedings

From time to time, we are involved in litigation, disputes and other legal proceedings arising in the normal course of our business. We insure against the risks arising from these legal proceedings to the extent deemed prudent by our management and to the extent insurance is available, but no assurance can be given that the nature and amount of that insurance will be sufficient to fully indemnify us against liabilities arising out of pending and future legal proceedings. Many of these insurance policies contain deductibles or self-insured retentions in amounts we deem prudent and for which we are responsible for payment. If there is a claim, dispute or pending litigation in which we believe a negative outcome is probable and a loss by the Company can be reasonably estimated, we record a liability for the expected loss. As of December 31, 2025, we are not aware of any such expected loss which would be material to our financial position and results of operations. Nor are we involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) which may have, or have had in the recent past, significant effects on our financial position or profitability.

Note 19 Investment in Associates and Joint Ventures

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

	December 31, 2025	December 31, 2024
		Restated
DSolve AS	20%	—
Archer Elemental UK	60%	—
Archer Elemental Norway AS	60%	—

The carrying amounts of our investments in our equity method investment are as follows:

(In USD millions)	December 31, 2025	December 31, 2024
-------------------	----------------------	----------------------

Fourth quarter and full year 2025 report

		Restated
Initial investment in dSolve AS	3.6	—
Share of net results since acquisition	0.1	—
Translation adjustment	0.3	—
Reported investment in associates	4.0	—

DSolve

During the nine months of 2025, we paid \$2.15 million to acquire 20% of a dSolve AS (or "DSolve") an unrelated, startup-company based in Trondheim, Norway, with the vision to pioneer rigless subsea plugging & abandonment, using electrochemical steel removal technology. The share purchase agreement provides Archer with an option to purchase the remaining 80% of the company in the future, after twelve months and on the occurrence of certain conditions including the successful commercialisation of the DSolve technology. If the development of the technology is successful an additional contingent consideration is payable, and Archer will have exclusive rights to use the technology in the provision of services to our customers. We have accrued additional estimated contingent purchase consideration of \$1.5 million.

Archer Elemental UK Limited and Archer Elemental Norway AS

We have entered into a joint venture with Elemental Energies Group, a wells focused engineering and consultancy provider, focusing on the upstream decommissioning and low carbon energy sectors, with a view to providing more fully integrated services. We have agreed with the co-investor that Archer will contribute 60% of funding and will own 60% of the joint venture entities. Capitalisation of the joint venture companies shall be on a pro-rata basis based on the respective shareholding. The shareholders' agreements governing the joint venture grant substantive participating rights to the co-owner, a result of which is that the joint venture will be accounted for as equity investment.

Note 20 Related Parties

The Group had the following material transactions with related parties:

(In USD millions)	Relation		Year ended December 31, 2025	Year ended December 31, 2024
				Restated
dSolve AS	Associated Company	Revenue	0.2	—
Archer Elemental UK	Associated Company	Revenue	0.3	—
Archer Elemental Norway AS	Associated Company	Other operating expenses	1.6	—
Seatankers Management Company Limited ("Seatankers")	Related to main shareholder	Other operating expenses	0.6	0.3

Note 21 Subsequent Events

On January 7, 2026, Archer announced the award of an integrated plug and abandonment ("P&A") contract with Equinor for 30 subsea wells. The firm contract term is 3 years, and includes 2 options of 2 years each, with an estimated total contract value of up to USD 140 million. Approximately 50% of the contract value relates to services delivered by Archer's alliance partners.

On January 14, 2026, Archer announced the award of an integrated plug and abandonment ("P&A") contract in the deepwater Gulf of America, in collaboration with SLB. The scope covers P&A of three wells, and the service offerings includes project management, well engineering, provision of a compact workover rig, coiled tubing, wireline services and a suite of downhole P&A technologies.

On January 15, 2026, Archer announced the agreement with Patterson-UTI for the lease of two high spec drilling rigs. The rigs are set to be deployed in Vaca Muerta, Argentina, as part of Archer's announced seven-rig drilling contract with YPF.

On January 30, 2026, Archer announced the closing of the transaction to sell the workover business in the south of Argentina, in the Provinces of Chubut and Santa Cruz. The sale includes 12 workover rigs, 12 pulling units and approximately 750 employees. Archer will retain ownership of 4 drilling rigs, 5 workover units and 4 pulling units from the workover business. Following the divestment, Archer's Land Drilling division will primarily operate drilling and workover services in the unconventional Vaca Muerta field.

On February 2, 2026, the Board of Directors approved a cash distribution of 0.62 NOK per share, equal to about USD 6.4 million, paid in Q1 2026 in the form of return of capital.

Appendix to Fourth Quarter 2025 Report

Archer prepares its consolidated financial statements in accordance with IFRS® Accounting Standards as adopted by the EU. In addition to these measures, management uses certain non-GAAP performance metrics that it believes provide stakeholders with supplemental insight into the company's operational performance and enhance comparability between periods.

One such non-GAAP measure is Adjusted EBITDA, defined as earnings before interest, taxes, depreciation and amortization, adjusted for items identified by management as special charges or non-recurring in nature. Adjusted EBITDA is not a defined measure under IFRS and should therefore not be viewed as a substitute for measures such as operating income, net income, or other IFRS-based financial information.

The following table presents supplemental financial data and a reconciliation of Adjusted EBITDA to the most directly comparable IFRS measures for the three months ended December 31, 2025; September 30, 2025; June 30, 2025; March 31, 2025; and December 31, 2024. Non-GAAP financial measures should be considered in addition to, and not as an alternative to, the company's reported results prepared in accordance with IFRS.

Condensed Consolidated Statements of Operations (Unaudited)

(In USD million)	Three Months Ended				
	Dec. 31, 2025	Sep. 30, 2025	Jun. 30, 2025	Mar. 31, 2025	Dec. 31, 2024
		Restated	Restated	Restated	Restated
Revenue	301.2	299.7	296.7	299.2	293.9
Cost and expenses					
Operational costs	(279.1)	(276.1)	(272.7)	(280.7)	(273.6)
(Gain)/loss on sale of assets	(0.7)	0.1	—	—	0.2
Impairments	(7.8)	—	—	—	(0.7)
Net financial items	(15.0)	(15.8)	(12.0)	(51.2)	(30.9)
Loss on sale of business	(13.2)	—	(8.7)	—	(0.2)
Gain on bargain purchase	—	—	—	—	—
Income / (loss) from continuing operations before income taxes	(14.5)	7.9	3.3	(32.7)	(11.3)
Income tax (expense)/benefit	(2.6)	(0.9)	(1.3)	4.8	(6.1)
Net income / (loss)	(17.1)	7.0	2.0	(28.0)	(17.4)

Reconciliation of GAAP to non-GAAP Measures (Unaudited)

(In USD million)	Three Months Ended				
	Dec. 31, 2025	Sep. 30, 2025	Jun. 30, 2025	Mar. 31, 2025	Dec. 31, 2024
		Restated	Restated	Restated	Restated
Net income / (loss)	(17.1)	7.0	2.0	(28.0)	(17.4)
Depreciation, amortization and impairments	30.2	19.1	17.7	19.0	19.4
Net financial items	15.0	15.8	12.0	51.2	30.9
Taxes on income	2.6	0.9	1.3	(4.8)	6.1
(Gain)/loss on sale of assets	0.7	(0.1)	—	—	(0.2)
(Loss) on sale of business / Gain on Bargain Purchase	13.2	—	8.7	—	—
EBITDA	44.5	42.8	41.7	37.5	38.8
Exceptional charges	6.7	1.7	3.7	7.8	4.1
EBITDA before exceptional items	51.2	44.5	45.4	45.3	42.9

EBITDA by reporting segments (Unaudited)

(In USD million)	Three Months Ended				
	Dec. 31, 2025	Sep. 30, 2025	Jun. 30, 2025	Mar. 31, 2025	Dec. 31, 2024
		Restated	Restated	Restated	Restated
Platform Operations	14.3	18.2	19.6	12.7	14.2
Renewables	3.9	4.6	3.0	2.5	1.2
Well Services	19.8	17.0	17.3	14.2	16.8
Land Drilling	9.8	5.5	3.9	9.9	9.6
Overhead & Corporate costs	(3.3)	(2.5)	(2.2)	(1.7)	(3.0)
EBITDA	44.5	42.8	41.7	37.5	38.8

EBITDA for Platform Operations and Well Services has been restated historically to reflect the allocation of Overhead which was previously reported separately.