



**2025**  
**Archer Norge AS**

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Annual Report

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## Board of Director's Report

### Business Overview

#### About Archer Norge AS and the Archer Norge Group

Archer Norge AS (the "Company") was established in 2007, and its registered address is in Sandnes. The Company owns directly and indirectly the following subsidiaries (the "Subsidiaries"); Archer AS (Norwegian), Archer Oiltools AS (Norwegian), Archer Consulting AS (Norwegian), Archer Wind AS (Norwegian), Archer Well Connection AS (Norwegian), Archer Well Machining AS (Norwegian) Archer Poland Sp.zo.o. (Polish), Ziebel US Inc., (American) DLS Archer Ltd. S.A. (Argentinean), DLS Sada S.A. (Argentinean) and DLS Argentina Fluidos S.A. (Argentinean). In addition, Archer Norge AS owns 65% of Vertikal Service AS (Norwegian, consolidated), 60% of Archer Elemental Norway AS (Norwegian, non-consolidated), 30% of Archer Well Oil and Gas Services LLC (UAE, non-consolidated) and 20% of dSolve AS (Norwegian, non-consolidated). The Company together with the Subsidiaries (the "Archer Norge Group") constitute the basis for the consolidated financial statement herein.

The Archer Norge Group is part of the wider Archer group, which is constituted by Archer Limited and its direct and indirect subsidiaries ("Archer"). Archer provides drilling and well services to the global energy industry employing close to 4,500 globally. Archer operates in over 40 countries, providing sustainable high-quality services and innovative technology to optimize Archer's customer's energy solutions. Archer is publicly traded on the Oslo Stock Exchange under the ticker ARCH. Archer's main operations currently take place in the major basins within Europe, Asia Pacific, North and South America and Archer is expanding throughout the Middle East, and West Africa.

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

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

#### Investments during 2025

Set out below is an overview of material investments which have been made by the Company since 31 December 2024:

#### Acquisition of Wellconnection Norway AS and Well Machining AS

In June 2025, Archer AS agreed to acquire Well Machining AS and Wellconnection Norway AS (together "Wellconnection") from Wellconnection Group AS, an unrelated third party. Wellconnection provides Inspection, Maintenance and Repair (IMR) services within Platform Operations and has historically supported Archer's Platform Operation division. The acquisition strengthens continuity of critical IMR services and enhances Archer's integrated offering through inspection, maintenance, repair and machining of drilling equipment, delivered through a centralized, one-stop-shop service model focused on efficiency, reuse and reduced environmental impact.

#### Refinancing

In February 2025, the Group successfully completed a refinancing through the issuance of a \$425 million senior secured bond with maturity in February 2030. The bond carries a fixed coupon of 9.5% per annum and was issued by Archer Norge AS, an indirect subsidiary of Archer Limited. The net proceeds from the bond issue were used to refinance existing debt and for general corporate purposes. The refinancing strengthened the Group's capital structure, extended debt maturities and enhanced financial flexibility, providing a stable platform to support future operations, investments and shareholder distributions.

## Subsequent events

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

On 10 March 2026, Archer announced the extension of a wireline contract for an additional three years in Norway.

On 27 April 2026, Archer was awarded a three-year contract extension by Equinor ASA for the provision of wireline and intervention services on the Norwegian Continental Shelf.

## Outlook

The outlook for the Archer Norge Group is aligned to that of Archer. The demand for the Group’s services is driven by operator activity levels within drilling, well services, and late-life field operations. In the medium to long term, demand is influenced by the global energy transition, while in the short to medium term it remains subject to cyclical variations in oil and gas markets, including commodity price levels, capital allocation priorities, and broader macroeconomic conditions.

Archer shares the view that global energy consumption is expected to continue to grow, with oil and gas remaining an important part of the energy mix for decades as the energy transition progresses. Offshore and onshore producing reserves are expected to remain critical to future energy supply and energy security, supporting continued demand for Archer’s service offerings. The Group’s core activities are primarily focused on the brownfield segment of the oil and gas value chain, which is generally less volatile than greenfield developments and characterized by production drilling, well intervention, and plug and abandonment (P&A) activity.

While macroeconomic uncertainty, volatile oil prices, and with trade and tariff developments continue to present challenges for the energy sector and oilfield services industry, Archer expects operators in the near term to maintain a strong focus on production-related activity in existing fields, both offshore and onshore. Over time, the number of production facilities in mature regions such as the North Sea is expected to decline, resulting in a structural shift from exploration and development towards late-life operations, P&A, and decommissioning. The pace and magnitude of the transition from hydrocarbons to renewable energy sources remain uncertain and dependent on regulatory, technological, and economic factors.

At the same time, the energy transition is creating new market opportunities for Archer. The Group is advancing its OneArcher operating model and leveraging its market position and integrated service offering to capture a significant share of the substantial P&A and decommissioning activity expected in the North Sea and other mature offshore basins over the coming decades. Archer’s ownership interest in Iceland Drilling provides exposure to the geothermal drilling market and operational synergies with the Group’s land drilling and well services capabilities.

Within the Land Drilling division, Archer continues to position itself as a preferred drilling contractor in the Vaca Muerta shale oil and gas formation in Argentina. Although the operating environment in Argentina has been challenging in recent years due to macroeconomic instability and capital restrictions, ongoing infrastructure development and regulatory initiatives support a more constructive medium-term outlook for activity in the basin. Portfolio adjustments have been undertaken to focus the business on scalable, higher-return drilling operations.

## Strategy

The strategy for the Archer Norge Group is aligned to that of Archer. The Group’s strategy is to deliver better wells and be the supplier of choice for drilling services, well intervention, and plug and abandonment. This is achieved through continuous improvement in service quality, operational efficiency, and safety performance, supported by skilled personnel who demonstrate the Group’s values and commitment to excellence.

Archer seeks to deliver sustainable, long-term profitable growth by leveraging its core drilling and well expertise across resilient brownfield oil and gas markets while selectively expanding into energy transition-related services, including geothermal energy, carbon capture and storage, wind, and hydropower. The Group will continue to pursue economies of scale, selectively strengthen its geographical footprint, and develop proprietary technologies and integrated service offerings that enhance customer value and reinforce Archer’s competitive position.

## Financial Review

### Change in accounting principles

#### Reimbursable Revenues

Effective from 1 January 2025, the Archer Norge Group has changed its accounting policy for reimbursable revenues. Reimbursable revenues comprise costs incurred by the Group on behalf of customers, which are subsequently reimbursed at cost without mark-up.

Based on a reassessment of the underlying contractual terms and the Group's role in these arrangements, management has concluded that the Group does not bear the primary risks and rewards related to these costs and acts solely as an intermediary between supplier and customer. In accordance with NGAAP and generally accepted principles for gross versus net presentation, such transactions should be presented on a net basis to reflect their economic substance.

Previously, reimbursable revenues were presented gross in revenue, with corresponding reimbursable costs included in operating expenses. From 2025, reimbursable revenues are presented net, with reimbursements offset against the related reimbursable costs in the income statement.

Comparative figures for 2024 have been restated accordingly (netting reimbursable of NOK 1,661.1 million) to reflect this change in accounting principle. Consequently, the 2024 figures presented in this financial review deviate from those previously reported for that year. The change has no impact on operating profit, net profit, or equity, but improves the comparability and transparency of the Group's revenue presentation.

#### Cash Flow Statement – Reclassification

In addition, the Group has changed the presentation of certain cash flows in the cash flow statement. Funding provided to other group companies that is long-term in nature is now classified as investing activities.

Previously, repayments related to such funding were presented under financing activities, primarily as "repayment of loans to group companies." Following a review, management concluded that these cash flows relate to long-term financial investments in group companies rather than to changes in the Group's external financing. To better reflect the nature of the transactions and ensure a consistent classification, these cash flows are now presented as investing activities. Accordingly, repayments amounting to NOK 342.6 million in 2024 have been reclassified from financing activities to investing activities for the group. For the parent company Archer Norge AS repayments of NOK 150.8 million has been reclassified.

Interest calculated and capitalised to the loan balance, and subsequently settled together with the related loan repayment, has been reclassified and presented on a combined basis in the cash flow statement. As a result, an amount of NOK 148.7 has been reclassified from operating activities to investing activities for Archer Norge Group and Archer Norge AS.

The reclassification represents a change in presentation only and has no impact on net profit or total cash flows, but affects the allocation between investing and financing activities in the cash flow statement.

### Revenue

Revenue for the Archer Norge Group for the year ended 31 December 2025 amounted to NOK 7,592.1 million, compared to NOK 7,516.2 million for the restated 2024 figures. Revenue development reflects stable activity levels across core service lines, with reimbursable revenues netted in accordance with the updated accounting principle.

### Expenses and operating result

Total expenses, including reimbursable expenses and depreciation, amounted to NOK 7,210.9 million in 2025, compared to NOK 7,193.6 million for the restated 2024 figures. Employee benefit expenses and depreciation increased in line with activity levels, while other operating expenses were reduced compared to the prior year.

Operating income for 2025 amounted to NOK 381.3 million, compared to NOK 322.6 million for 2024 figures.

### Financial items and result for the year

Net financial costs amounted to NOK 442.9 million in 2025, compared to NOK 431.8 million in 2024.

The net loss for 2025 amounted to NOK 78.4 million, compared to a net loss of NOK 103.7 million for the restated 2024 figures.

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

The Board proposes that the net loss for the year of NOK 78.4 million be covered by transferred from other equity.

Transferred from other equity	NOK 78.4 million
<b>Total allocated in 2025</b>	<b>NOK 78.4 million</b>

#### Balance sheet

Total assets amounted to NOK 7,872.6 million at 31 December 2025, compared to NOK 8,438.9 million at 31 December 2024. The decrease primarily reflects lower cash balances and changes in working capital.

Total cash and bank deposits amounted to NOK 191.2 million at 31 December 2025, compared to NOK 524.0 million at the end of 2024.

Total current liabilities amounted to NOK 3,115.2 million at 31 December 2025, compared to NOK 3,229.8 million at 31 December 2024. Total non-current liabilities amounted to NOK 4,543.1 million, compared to NOK 4,890.4 million in 2024, and consisted primarily of bond debt.

#### Cash flows

Cash flows for the year resulted in a net cash outflow, primarily driven by foreign exchange effects, payments related to the refinancing completed during the year, and funding provided to group companies.

In NOK millions	2025	2024
Net cash provided by operating activities	(24.0)	562.8
Net cash used in investing activities	(384.7)	(463.0)
Net cash provided by/(used in) financing activities	81.3	106.4
Cash and cash equivalents, including restricted cash at the beginning of the year	524.0	315.1
Cash and cash equivalents, including restricted cash, at the end of the year	191.2	524.0

Cash flow from operating activities decreased in 2025 to an outflow of NOK 24.0 million, compared with an inflow of NOK 562.8 million in 2024. The deterioration mainly reflects foreign exchange effects and cost related to refinancing.

Cash flow from investing activities totalled outflow of NOK 384.7 million in 2025 compared to a cash outflow of NOK 463.0 million in 2024.

In 2025 cash outflow from financing activities amounted to NOK 81.3 million, compared to a cash flow in 2024 of NOK 106.4 million.

#### Health, Safety and Environmental

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

The main element in the Archer 2025 HSE plan has been the further follow-up of the Archer safety culture program; The big 5 & the broken window. Via different initiatives during the year, Archer reinforced the message in these two programs. The Big 5 is an Archer initiated safety culture program, the focus for the program is the personal motivation each of us must stay incident free. The main theme is to stay incident free so that we can go back home and do what we love the most. The Big 5, are each employee's most important reasons to stay safe at work. The question we ask is, how will a serious injury impact your life and your Big 5.

## 2025 Annual report Archer Norge AS

For the Archer Norge Group, the number of accidents at work that led to absence amounted to 0.73 per 200,000 man-hours in 2025, compared to 0.36 in 2024. In total there were 7 reportable absenteeism injuries in 2025 compared to 7 in 2024.

### **Absenteeism**

Average sickness absence varies between companies from 0.9% to 13.2%. There is lower sickness absence where the employees have the option of a home office due to work tasks and where there are geographical differences.

### **Sustainability**

The Archer Norge Group's approach to sustainability is aligned with that of Archer. Archer's Annual Report 2025 incorporates its sustainability statement, which has been prepared in compliance with the requirements of the EU Corporate Sustainability Reporting Directive (CSRD). The disclosures are prepared in accordance with the European Sustainability Reporting Standards (ESRS). The sustainability disclosures enable the Group to identify, manage and report on material ESG factors relevant to its industry, and provide investors, banks and other stakeholders with consistent, comparable and decision-useful non-financial information. Further information is available in the sustainability section of the Annual Report 2025, available on Archer's website: <https://www.archerwell.com/>

### **Social Governance**

The offshore oil and gas industry has traditionally been male dominated. Of the Archer Norge Group's 3,354 employees as of 31 December 2025, 7% are women and 93% men. The Company has a goal of increasing the proportion of women among its employees. Both the board and the Company's management are aware of societal expectations for measures to promote equality in the business and the board. The Company and its Subsidiaries uses various schemes to retain and promote employees of both sexes. Such arrangements are flexible working hours, the possibility of part-time work, redeployment and less physical work during pregnancy, liberal maternity leaves. Equality is an important part of the employment process. The purpose of the Discrimination Act is to promote equality, ensure equal opportunities and rights and to prevent discrimination on grounds of gender, pregnancy, leave at birth or adoption, care duties, ethnicity, religion, outlook on life, functional impairment, sexual orientation, gender identity and gender expression and combinations of these bases. The Company and its Subsidiaries works actively, purposefully, and according to plan to promote the law's purpose within the business. The Company's and its Subsidiaries' objectives, measures and results are dealt with in more detail in Archer Annual Report, available on the webpage.

### **Transparency act**

Archer respects and acknowledges the principles of fundamental human rights and decent working conditions as defined in the Norwegian Transparency Act ("NTA"). Archer Norge AS's assessments in accordance with the requirements of the NTA for 2025 will be made available on the Company's website when it is approved prior to June 30, 2026, in compliance with the requirements of the NTA. The 2024 assessment is available on our website.

### **Risk factors**

The Archer Norge Group's operations and financial position are subject to a number of risk factors. The risk factors described below should be read in conjunction with the Risk factors section included in the annual report of Archer Limited, which provides a more comprehensive and exhaustive description of the risks applicable to the Archer Group as a whole.

### **Market Risk**

The Archer Norge Group's business depends on the level of activity of oil and gas exploration, development and production in the North Sea and internationally, and in particular, the level of exploration, development and production expenditures of the Archer Norge Group's customers. The North Sea is a mature oil and natural gas production region that has experienced substantial seismic survey and exploration activity for many years. Because a large number of oil and natural gas prospects in this region have already been drilled, additional prospects of sufficient size and quality could be more difficult to identify in the future. The decrease in the size of oil and natural gas prospects and a decrease in production may result in reduced drilling activity in the North Sea. As a significant portion of the Archer Norge Group's business is conducted in the North Sea, such decrease may reduce the demand for the Archer Norge Group's services, which would adversely affect the Archer Norge Group's business, results of operations, cash flows, financial condition and prospects. However, the energy transition and the permanent abandonment of existing fields and wells will mitigate some of the risk in the short to medium term. The risk for the Archer Norge Group's business is the timing of when the decline in development and production of oil and gas in the North Sea and Internationally are materialising and when the Archer Norge Group experiences uptick in the volume of permanent abandonment and decommission. Further, although the pace and magnitude of the demand for a shift from hydrocarbons to renewable

energy sources is uncertain and difficult to predict, such energy transition could lead to a decline in the demand for the Archer Norge Group's services and thus negatively affect the Archer Norge Group, and there can be no assurance that the Archer Norge Group will be able to successfully adapt to such energy transition.

The demand for the Archer Norge Group's drilling and well services is adversely affected by declines in exploration, development and production activity associated with depressed oil and natural gas prices. Historically, oil and gas prices have been highly volatile and subject to large fluctuations in response to relatively minor changes in the supply of and demand for oil and gas, market uncertainty and a variety of other economic and political factors, as seen in connection with the COVID-19 pandemic, the war in Ukraine and in Iran. Lower oil prices typically result in significant reductions in capital expenditure budgets, cancellation or deferral of projects and reductions in discretionary expenditures. Certain development projects could also become unprofitable as a result of price declines, which could in turn result in the Archer Norge Group postponing or cancelling a planned project or, if it is not possible to cancel the project, carrying out the project with negative economic impact. In addition, the Archer Norge Group may face property impairments if prices fall significantly. However, higher prices do not necessarily translate into increased drilling activity since clients' expectations about future commodity prices typically drive demand for the Archer Norge Group's services. As such, no assurance can be given that oil prices will remain at levels which will enable the Archer Norge Group to do business profitably or at levels that make it economically viable to produce from certain wells and any material decline in such prices could result in a reduction of net production volumes and revenue and a decrease in reserves and in the valuation of exploration, appraisal, development and production properties. Additionally, adverse changes to commodity prices could reduce the Archer Norge Group's ability to refinance outstanding indebtedness in the event lenders or investors reduce access to liquidity in response to such adverse changes. Consequently, changes in oil and gas prices may adversely affect the Archer Norge Group's business, results of operations, cash flow, financial condition and prospects.

#### **Financial Risk**

The Archer Norge Group is exposed to several financial risk factors in the ordinary course of its business, including credit risk, interest rate risk and currency risk. The Archer Norge Group's revenues are largely generated in Norwegian kroner and Argentine pesos, while its interest-bearing debt is predominantly denominated in US dollars, resulting in exposure to foreign exchange fluctuations.

Liquidity risk is managed at group level within the Archer Group. The Board assumes that the Archer Norge Group will be able to obtain liquidity support from the Archer Group if required. Archer Norge AS is one of several guarantors under the Archer Group's overall financing arrangements. As part of these arrangements, the shares in Archer Norge AS, as well as the shares in its subsidiaries Archer Oiltools AS and Archer AS, are pledged as security in favour of the lenders. The senior secured bonds are issued by Archer Norge AS and form part of the overall financing of the Archer Group. The financial covenants under these financing arrangements are measured at Archer Group level. Consequently, a failure by the Archer Group to comply with the applicable financial covenants could have a material adverse effect on the financial position, results of operations and liquidity of the Archer Norge Group, irrespective of Archer Norge AS's standalone financial performance.

#### **Operational Risk**

Substantially all of the Archer Norge Group's operations are subject to hazards that are customary for exploration and production activity, including blow outs, reservoir damage, loss of well control, cratering, oil and gas well fires and explosions, natural disasters, pollution and mechanical failure. Any of these risks could result in damage to or destruction of drilling equipment, personal injury and property damage, suspension of operations, or environmental damage, and may subject the Archer Norge Group to claims and litigation.

To the extent that the Archer Norge Group is unable to transfer risks such as the above-mentioned to customers by contract or indemnification agreements, the Archer Norge Group generally seeks protection through customary insurance to protect its business against these potential losses. However, there is no assurance that such insurance or indemnification agreements will adequately protect the Archer Norge Group against liability from all of the consequences of the hazards and risks described above. The occurrence of an event for which the Archer Norge Group is not fully insured or indemnified against, or the failure of a customer or insurer to meet its indemnification or insurance obligations, could result in substantial losses.

The Archer Norge Group's land drilling subsidiaries provide drilling and workover services to operators in Argentina, and these operations represent a significant portion of the Archer Norge Group's total revenues. Argentina's has in the past defaulted on its sovereign debt, and from time-to-time imposed capital restrictions, both leading to a challenging situation for the oil and gas sector in the country, including the oil service industry. How the government

of Argentina invests in the energy sector, makes changes to employment and labour legislation, and formulates policy around taxation, currency control and exchange, national debt repayment and commodity pricing could all have a significant effect on the Archer Norge Group's business in Argentina.

### Going Concern

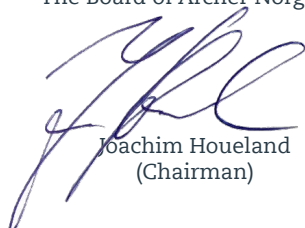
The Board of Directors confirms their assumption of the Group as a going concern for the foreseeable future, being a period of not less than 12 months from the date of this report. This assumption is based on the liquidity position of the Archer Group in general and the Archer Norge Group in particular, forecasted operating results for the Archer Group in general and the Archer Norge Group in particular, the debt maturity being extended to 2030 following the refinancing in 2025 and the market outlook for the energy service sector as at December 31, 2025. The Board believes the annual report provides a fair presentation of the Group's assets and debt, financial position and financial performance.

Sandnes April 28, 2026

The Board of Archer Norge AS



Espen Joranger  
(Director/Managing Director)



Joachim Houeland  
(Chairman)



Einar Aage Vae  
(Director)

# Report of Independent Auditors



To the General Meeting of Archer Norge AS

## Independent Auditor's Report

### Opinion

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

- the financial statements of the parent company Archer Norge AS (the Company), which comprise the balance sheet as at 31 December 2025, the statements of operations and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Archer Norge AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2025, the statements of operations and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### Basis for Opinion

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

### Other Information

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

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

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

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

### **Responsibilities of Management for the Financial Statements**

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisionsberetninger>

Stavanger, 28 April 2026

**PricewaterhouseCoopers AS**

Gunnar Slettebø  
State Authorised Public Accountant  
(This document is signed electronically)



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**Gunnar Slettebø**

 bankID

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## Consolidated Statements of Operations

Archer Norge AS		(In NOK millions)		Archer Norge Group	
2025	2024		Note	2025	2024
<b>Revenues</b>					
1,008.2	893.0	Operating revenues		7,560.1	7,445.5
-	-	Reimbursable revenues		30.2	28.7
-	-	Other operating income		1.9	42.0
<b>1,008.2</b>	<b>893.0</b>	<b>Total Revenues</b>	2,3	<b>7,592.1</b>	<b>7,516.2</b>
<b>Expenses</b>					
523.9	482.5	Employee benefits expense	4	3,572.4	3,488.2
-	-	Cost of goods		1,280.0	831.8
66.4	28.3	Depreciation and amortisation	7,8	360.7	324.0
429.6	356.3	Other operating expenses	3,4	1,997.7	2,549.6
<b>1,019.9</b>	<b>867.2</b>	<b>Total Expenses</b>		<b>7,210.9</b>	<b>7,193.6</b>
<b>(11.8)</b>	<b>25.8</b>	<b>Operating Income</b>		<b>381.3</b>	<b>322.6</b>
<b>Financial items</b>					
434.9	492.5	Interest income	3	363.4	445.7
(547.9)	(690.1)	Interest expenses	3	(559.5)	(674.3)
(2.7)	(5.5)	Impairment financial items	9	-	(5.5)
14.1	18.2	Share of results in associated companies	9	1.6	18.2
2.4	246.1	Other financial items	5	(248.4)	(215.8)
<b>(99.2)</b>	<b>61.2</b>	<b>Total Financial items</b>		<b>(442.9)</b>	<b>(431.8)</b>
(110.9)	87.0	(Loss) / Income from continuing operations before taxes		(61.7)	(109.2)
(35.1)	17.1	Income tax expense	6	16.8	(5.5)
<b>(75.8)</b>	<b>70.3</b>	<b>(Loss) / Income from continuing operations</b>		<b>(78.4)</b>	<b>(103.7)</b>
<b>(75.8)</b>	<b>70.3</b>	<b>Net (Loss) / Income</b>		<b>(78.4)</b>	<b>(103.7)</b>
-	-	- Attributable to non-controlling interest		5.1	(2.3)
-	-	- Attributable to controlling interest		(83.5)	(101.4)


## Consolidated Balance Sheet

Archer Norge AS		(In NOK millions)		Archer Norge Group	
Dec. 31, 2025	Dec. 31, 2024		Note	Dec. 31, 2025	Dec. 31, 2024
-	-	Goodwill	18	59.4	47.4
-	-	Intangible Assets	7	123.4	57.4
114.1	78.9	Deferred tax asset	6	244.5	257.6
152.4	181.2	Property plant and equipment, net	8	1,455.7	1,391.4
2,696.8	2,545.0	Investments in subsidiaries	9	-	-
3,710.9	3,339.3	Loans to related parties long term	12	2,957.0	2,762.6
39.8	-	Investments in associated companies	9	63.1	21.9
9.9	26.3	Other receivables		126.1	130.3
<b>6,723.9</b>	<b>6,170.7</b>	<b>Total Fixed Assets</b>		<b>5,029.1</b>	<b>4,668.4</b>
-	-	Inventories	10	348.7	377.4
-	-	Trade receivables		974.9	943.2
581.5	1,664.7	Other receivables related parties	12	1,045.9	1,713.0
51.7	92.4	Other receivables	16	282.8	212.6
84.6	460.2	Cash and bank deposits	13	191.2	524.0
<b>717.8</b>	<b>2,217.3</b>	<b>Total Current Assets</b>		<b>2,843.5</b>	<b>3,770.3</b>
<b>7,441.6</b>	<b>8,388.0</b>	<b>Total Assets</b>		<b>7,872.6</b>	<b>8,438.9</b>
1,849.4	1,923.4	Shareholders' equity		206.9	316.5
-	-	Non-controlling interest		7.4	2.3
<b>1,849.4</b>	<b>1,923.4</b>	<b>Total Equity</b>	14	<b>214.3</b>	<b>318.7</b>
-	-	Badwill	18	19.7	25.1
4,222.7	4,644.0	Liabilities to financial institutions	11	4,489.7	4,836.7
33.7	28.5	Liabilities to related parties long term	11	33.7	28.5
<b>4,256.4</b>	<b>4,672.6</b>	<b>Total Non-current Liabilities</b>		<b>4,543.1</b>	<b>4,890.4</b>
165.3	-	Liabilities to financial institutions	11	165.3	-
786.1	1,395.5	Liabilities to related parties	12	760.8	1,158.9
76.9	66.6	Trade creditors		797.2	795.3
-	-	Tax payable	6	1.1	-
79.1	72.4	Public duties payable		463.7	469.5
228.5	257.6	Other current liabilities	17	927.2	806.2
<b>1,335.8</b>	<b>1,792.1</b>	<b>Total Current Liabilities</b>		<b>3,115.2</b>	<b>3,229.8</b>
<b>7,441.6</b>	<b>8,388.0</b>	<b>Total Equity and Liabilities</b>		<b>7,872.6</b>	<b>8,438.9</b>

  
Espen Joranger  
(Director/Managing Director)

The Board of Archer Norge AS,  
Sandnes April 28, 2026

  
Joachim Houeland  
(Chairman)

  
Einar Aage Vae  
(Director)

## Consolidated Statements of Cash Flows

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2025	2024		2025	2024
(110.9)	87.0	Net (loss)/profit from continuing operations	(61.7)	(109.2)
-	-	Taxes paid	6	(9.3)
		<i>Adjustment to reconcile net loss to net cash provided by operating activities</i>		
65.9	28.3	Depreciation and amortisation	7,8	360.7
(108.2)	-	Impairment of investments	-	-
1.8	1.0	Share-based compensation expenses	2.8	1.3
-	-	(Gain)/loss on assets disposals	(14.4)	(10.9)
(14.1)	(357.5)	Group contribution recognized as income	-	-
(0.1)	(18.2)	Share of losses of unconsolidated affiliates	9	(1.6)
42.2	22.6	Change in accounts receivable	(14.1)	117.3
-	-	Change in inventories	10	34.2
26.4	11.2	Change in accounts payable	(47.8)	68.0
(352.2)	103.3	Non-cash fx effects	5	(264.2)
108.1	45.9	Change in other operating assets and liabilities net	(11.9)	34.3
<b>(341.3)</b>	<b>(76.3)</b>	<b>Net Cash Provided by operating activities</b>	<b>(24.0)</b>	<b>562.8</b>
-	-	Asset and securities sale proceeds	8	99.7
(37.1)	(78.4)	Capital expenditures	7,8	(488.8)
(366.8)	(195.8)	Funding group companies	12	(257.7)
(238.1)	146.7	Net borrowings/repayments from group companies in cash pool	13	276.5
(24.5)	-	Investment in associated entities	9	(24.5)
(30.2)	(72.3)	Investment in subsidiaries	9	10.1
-	170.4	Sale of subsidiaries	-	120.0
<b>(696.8)</b>	<b>(29.4)</b>	<b>Net Cash used by Investing Activities</b>	<b>(384.7)</b>	<b>(463.0)</b>
514.5	(142.4)	Net borrowings	330.9	(193.6)
397.7	181.8	Group contribution received	-	-
(249.8)	-	Make whole fee	11	(249.7)
-	300.0	New equity received	14	-
<b>662.4</b>	<b>339.5</b>	<b>Net Cash Provided by Financing Activities</b>	<b>81.3</b>	<b>106.4</b>
-	-	FX effect on cash and cash equivalents.	(5.4)	2.7
<b>(375.6)</b>	<b>233.7</b>	<b>Net Increase in Cash and Cash Equivalents</b>	<b>(332.8)</b>	<b>208.9</b>
460.2	226.5	Opening cash and cash equivalents	524.0	315.1
<b>84.6</b>	<b>460.2</b>	<b>Closing cash and cash equivalents</b>	<b>191.2</b>	<b>524.0</b>

# Notes

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## **Note 1 Accounting Policies**

### **General information**

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

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

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

### **Change in accounting principles**

#### Reimbursable Revenues

Effective from 1 January 2025, the Archer Norge Group has changed its accounting policy for reimbursable revenues. Reimbursable revenues comprise costs incurred by the Group on behalf of customers, which are subsequently reimbursed at cost without mark-up.

Based on a reassessment of the underlying contractual terms and the Group’s role in these arrangements, management has concluded that the Group does not bear the primary risks and rewards related to these costs and acts solely as an intermediary between supplier and customer. In accordance with NGAAP and generally accepted principles for gross versus net presentation, such transactions should be presented on a net basis to reflect their economic substance.

Previously, reimbursable revenues were presented gross in revenue, with corresponding reimbursable costs included in operating expenses. From 2025, reimbursable revenues are presented net, with reimbursements offset against the related reimbursable costs in the income statement.

Comparative figures for 2024 have been restated accordingly (netting reimbursable of NOK 1,661.1 million) to reflect this change in accounting principle. Consequently, the 2024 figures presented in this financial review deviate from those previously reported for that year. The change has no impact on operating profit, net profit, or equity, but improves the comparability and transparency of the Group’s revenue presentation.

#### Cash Flow Statement

In addition, the Group has changed the presentation of certain cash flows in the cash flow statement. Funding provided to other group companies that is long-term in nature is now classified as investing activities.

Previously, repayments related to such funding were presented under financing activities, primarily as “repayment of loans to group companies.” Following a review, management concluded that these cash flows relate to long-term financial investments in group companies rather than to changes in the Group’s external financing. To better reflect the nature of the transactions and ensure a consistent classification, these cash flows are now presented as investing activities.

Accordingly, repayments amounting to NOK 342.6 million in 2024 have been reclassified from financing activities to investing activities for the group. For the parent company Archer Norge AS repayments of NOK 150.8 million has been reclassified. Comparative figures for 2024 have been restated accordingly.

Interest calculated and capitalised to the loan balance, and subsequently settled together with the related loan repayment, has been reclassified and presented on a combined basis in the cash flow statement. As a result, an amount of NOK 148.7 has been reclassified from operating activities to investing activities for Archer Norge Group and Archer Norge AS.

The reclassification represents a change in presentation only and has no impact on net profit or total cash flows, but affects the allocation between investing and financing activities in the cash flow statement.

### **Classification and assessment of balance sheet items**

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

### **Accounting of income**

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

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

### **Operating assets**

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

### **Accounts receivable and other receivables**

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

### **Goodwill**

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

### **Investments in subsidiaries**

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

### **Investment in jointly controlled business**

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

### **Foreign currency**

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

### **Pension**

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

### **Tax**

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

### **Cash flow statement**

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

**Note 2 Revenue**

<b>Archer Norge AS</b>		<b>(In NOK millions)</b>	<b>Archer Norge Group</b>	
<b>2025</b>	<b>2024</b>		<b>2025</b>	<b>2024</b>
1,008.2	893.0	Revenue	7,560.1	7,445.5
-	-	Other operating income	1.9	42.0
-	-	Reimbursable Income	30.2	28.7
<b>1,008.2</b>	<b>893.0</b>	<b>Total revenue</b>	<b>7,592.1</b>	<b>7,516.2</b>
		<b>Segments</b>		
-	-	Platform operations	3,477.1	3,706.7
-	-	Well Services	2,021.9	1,946.0
-	-	Land Drilling	1,408.2	1,595.5
-	-	Renewables	684.8	267.7
1,008.2	893.0	Headquarter services	-	-
0	0	Other revenue	-	-
<b>1,008.2</b>	<b>893.0</b>	<b>Total revenue</b>	<b>7,592.1</b>	<b>7,516.2</b>
		<b>Geographical areas</b>		
883.4	790.0	Norway	5,342.5	4,362.1
11.6	15.0	Argentina	1,408.2	1,610.5
76.2	63.5	UK	404.4	210.5
1.9	1.6	Middle East	70.3	97.1
5.7	3.6	Malaysia	19.7	23.9
2.2	0.8	Australia	40.9	49.1
23.9	13.4	America	243.4	265.1
0.0	0.4	Poland	2.1	0.4
0.0	0.6	Iceland	-	54.8
3.2	4.1	Other	60.7	12.2
<b>1,008.2</b>	<b>893.0</b>	<b>Total revenue</b>	<b>7,592.1</b>	<b>7,516.2</b>

### Note 3 Related party transactions

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

#### Related party to Archer Norge AS

Revenue (In NOK millions)	2025	2024
Archer AS	761.1	676.8
Archer Oiltools AS	108.9	96.8
Archer (UK) Ltd	51.6	38.0
Archer Assets UK Ltd	24.6	25.4
Archer DLS Corporation (BVI Company)	11.6	15.0
Archer BCH (Canada) Ltd	6.3	8.0
Archer Well Company (Malaysia) Sdn.Bhd	5.7	3.6
ARCHER DO BRASIL LTDA	3.3	4.1
Archer Consulting AS	9.7	8.0
Other related parties	25.3	17.3
<b>Total revenue from related parties</b>	<b>1,008.2</b>	<b>893.0</b>
Operating expense (In NOK millions)	2025	2024
Archer Oiltools AS	37.7	17.7
Archer AS	15.1	16.2
Archer Ltd (BM)	9.5	21.3
Archer (UK) Ltd	5.7	14.1
Archer Well Company Inc.	4.7	3.0
Archer Topaz Ltd (BM)	3.0	1.8
Archer Consulting AS	1.2	1.0
Other related parties	20.6	5.5
<b>Total operating expense from related parties</b>	<b>97.5</b>	<b>80.6</b>
Interest income from related parties (In NOK millions)	2025	2024
Archer Assets UK Ltd	170.3	194.1
Archer Well Company Inc.	139.3	191.9
Archer Oiltools AS	51.1	50.4
Archer Ltd (BM)	35.1	27.7
Ziebel US	5.1	4.6
Archer AS	3.5	3.4
Other related parties	26.1	5.7
<b>Total interest income from related parties</b>	<b>430.4</b>	<b>478.0</b>
Interest cost to related parties (In NOK millions)	2025	2024
Archer AS	21.1	26.3
Archer (UK) Ltd	3.0	7.6
Archer Assets UK Ltd	7.1	5.7
Archer Ltd (BM)	5.1	5.6
Other related parties	8.6	7.6
<b>Total interest cost to related parties</b>	<b>44.9</b>	<b>52.8</b>

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Archer Norge Group has the following related party transactions:

<b>Part of Archer Ltd Group</b>		
<b>Related party to the Archer Norge Group</b>		
<b>Revenue (In NOK millions)</b>	<b>2025</b>	<b>2024</b>
Archer Ltd (UK)	119.9	158.0
Archer Oil Tools LLC	115.8	121.5
Archer UK Ltd Abu Dhabi Branch	103.9	53.3
Archer BCH (Canada) Ltd	108.1	53.1
Archer Well Company (Australia) Pty Ltd	44.7	49.1
ARCHER DO BRASIL LTDA	38.1	31.0
Archer Well Company (M) Sdn Bhd.	20.5	25.2
Archer Assets UK Ltd	25.3	24.4
DLS Argentina Surcursal Argentina	12.9	21.3
Archer DLS Corporation (BVI Company)	12.0	14.4
Archer Well Oil and Gas Services LLC	-	42.2
Other related parties	14.0	5.5
<b>Total revenue from related parties</b>	<b>615.2</b>	<b>598.9</b>
<b>Operating expense (In NOK millions)</b>	<b>2025</b>	<b>2024</b>
Archer UK Ltd Abu Dhabi Branch	159.4	216.3
Archer BCH (Canada) Ltd	85.8	154.0
Archer Oil Tools LLC	45.6	14.9
Archer Well Oil and Gas Services LLC	33.6	-
Archer Ltd (UK)	27.9	39.8
Archer Services Limited	15.5	15.0
Archer Ltd (BM)	9.8	19.5
Archer Well Company (M) Sdn Bhd.	3.7	9.0
Archer Well Company (Australia) Pty Ltd	3.4	9.6
Archer DLS Corporation Surcursal Bolivia	2.5	3.0
Seawell Offshore Danmark AS	1.4	3.8
ARCHER DO BRASIL LTDA	1.5	3.1
Other related parties	11.6	3.7
<b>Total operating expense from related parties</b>	<b>401.7</b>	<b>491.7</b>
<b>Interest income from related parties (In NOK millions)</b>	<b>2025</b>	<b>2024</b>
Archer Assets UK Ltd	170.1	194.2
Archer Well Company Inc	138.7	0
Archer Ltd (BM)	35.3	27.4
Archer Ltd (UK)	6.6	3.4
Archer Well Company (M) Sdn Bhd.	0.1	0.9
Other related parties	1.3	0.2
<b>Total interest income from related parties</b>	<b>352.0</b>	<b>226.1</b>

<b>Interest income cost to related parties (In NOK millions)</b>	<b>2025</b>	<b>2024</b>
Archer Assets UK Ltd	7.2	5.7
Archer Ltd (BM)	5.3	5.6
Archer Ltd (UK)	3.0	7.6
Archer Well Company (Australia) Pty Ltd	2.4	2.3
Other related parties	1.1	0.1
<b>Total interest cost to related parties</b>	<b>18.9</b>	<b>21.2</b>

#### Note 4 Wages, remunerations and pensions

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

<b>Archer Norge AS</b>		<b>(In NOK millions)</b>	<b>Archer Norge Group</b>	
<b>2025</b>	<b>2024</b>		<b>2025</b>	<b>2024</b>
405.8	374.5	Salaries	2,835.5	2,706.3
63.4	65.0	Payroll tax	448.8	451.1
36.6	33.2	Pension cost	206.9	211.7
18.0	9.9	Other benefits	81.3	119.6
<b>523.9</b>	<b>482.6</b>	<b>Total</b>	<b>3,572.4</b>	<b>3,488.7</b>
359	340	Number of employees in full time equivalent	2,997	2,582

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

#### Compensation to managing director of the Company

<b>(In NOK millions)</b>	<b>2025</b>
Salary	2.9
Bonus	2.0
Pension contribution	0.1
Other remuneration	0.0
<b>Total compensation costs</b>	<b>5.0</b>

#### Shares held by managing director of Archer Norge AS

<b>Name</b>	<b>Position held in the Company</b>	<b>Shares Held in Archer Ltd</b>
Espen Joranger	Managing director	18,292

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

## Remuneration to the Board of Directors

There has not been paid any remuneration to the Directors of the Board for the year ended December 31, 2025.

## Remuneration Audit

The following table shows total remuneration to our auditors.

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2025	2024		2025	2024
1.2	0.8	Legally required audit	5.4	4.0
0.0	-	Attestation Services	0.0	-
<b>1.2</b>	<b>0.8</b>	<b>Total</b>	<b>5.4</b>	<b>4.0</b>

## Share Incentive Plans

The Board of Archer Limited has from time to time granted restricted stock units, or RSUs, to members of Archer's management team, including employees in Archer Norge AS and its subsidiaries. The RSUs gives the grantee the right to receive shares in Archer Limited conditioned upon employment in the Archer group upon the vesting date. The RSUs typically vest over three to four years after the grant date. As of December 31, 2025 a total of 138,189 RSUs was outstanding of which 97,925 RSUs was granted to 12 employees in Archer Norge AS and its subsidiaries.

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

	2025	2024
Average weighted fair value at grant date*	23.11	23.0

Entity	Legal entity number	Outstanding per 31.12.2025	Number of employees	Fair Value at grant date
Archer Norge AS	173	83,325	10	23.27
Archer Oiltools AS	175	14,600	2	22.18

## Note 5 Other Financial Items

### Other Financial Income

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2025	2024		2025	2024
3.0	4.4	Realized foreign exchange gain	31.4	44.4
352.2	-	Unrealized foreign exchange gain	264.2	-
1.1	150.8	Unrealized gain on forward trade contract	1.1	150.8
0.1	18.2	Share of profit in limited partnerships	0.1	18.3
173.5	-	Other items	69.3	46.0
<b>529.8</b>	<b>173.4</b>	<b>Total</b>	<b>366.1</b>	<b>259.5</b>

### Other Financial Cost

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2025	2024		2025	2024
101.7	3.7	Realized foreign exchange loss	133.6	42.3
-	254.1	Unrealized foreign exchange loss	-	275.7
0.4	-	Withholding tax	0.8	-
418.8	-	Cost related to refinancing	418.8	-
-	-	Factoring agreement	31.1	39.8
3.7	1.1	Bank charges	8.0	7.7
2.8	7.7	Other items	22.1	91.8
<b>527.4</b>	<b>266.7</b>	<b>Total</b>	<b>614.4</b>	<b>457.3</b>

### Forward Contract

The Company has large borrowings under the First Lien Facility and the Second Lien Facility, which are denominated in USD. Furthermore, the Company provides funding to other Group Companies, primarily denominated in USD. However, as the Company has more borrowing in USD than they provide lending in USD, the Company is exposed to the movement in USDNOK rate. In order to reduce the impact of movement in USDNOK on these balance items, the Company entered in January 2024 into a USDNOK forward contract where the Company effectively reduces the impact from foreign exchange movement. The contract is for an underlying amount of USD 165 million and expired in January 2025.

**Note 6 Income Taxes****Temporary Differences**

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2025	2024		2025	2024
34.9	49.5	Property differences	42.6	53.2
-	-	Inventory	(25.5)	(43.4)
-	-	Gain/loss account	52.8	0.1
(1.8)	(1.7)	Leasing	(0.6)	1.0
-	-	Other	1.1	-
-	150.8	Provisions	(438.2)	(251.5)
<b>33.1</b>	<b>198.6</b>	<b>Total temporary differences</b>	<b>(367.9)</b>	<b>(240.6)</b>
(551.7)	(557.5)	Losses carry forward	(1,226.4)	(1,463.7)
(277.5)	(277.5)	Interest deduction cut off carry forward	(313.4)	(311.8)
<b>(796.0)</b>	<b>(636.4)</b>	<b>Net deferred tax asset basis before valuation allowance</b>	<b>(1,906.0)</b>	<b>(2,016.0)</b>
175.1	140.0	Calculated deferred tax asset	469.3	502.5
(61.1)	(61.1)	Deferred tax asset not recognized	(224.8)	(244.9)
<b>114.1</b>	<b>78.9</b>	<b>Deferred tax asset</b>	<b>244.5</b>	<b>257.6</b>

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

**Calculation of the basis for taxation**

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2025	2024		2025	2024
(110.9)	87.0	Net income before tax	(61.7)	(109.2)
(48.8)	(344.8)	Permanent differences	175.1	36.0
<b>(159.8)</b>	<b>(257.8)</b>	<b>Net Taxable (Income)/Loss</b>	<b>113.5</b>	<b>(73.2)</b>
165.6	(119.1)	Movement temporary differences	(80.2)	(75.4)
<b>5.8</b>	<b>(376.9)</b>	<b>Net taxable income / loss</b>	<b>33.3</b>	<b>(148.6)</b>
8.3	19.4	Tax losses to be carried forward	(29.7)	168.5
14.1	357.5	Group contribution	-	-
-	-	<b>Taxable income / loss</b>	<b>3.5</b>	<b>20.0</b>

**Tax expense reported in profit and loss**

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2025	2024		2025	2024
-	-	Current taxes payable	1.3	4.3
-	-	<b>Total Taxes Payable</b>	<b>1.3</b>	<b>4.3</b>
(35.1)	17.1	Change in deferred taxes	16.8	(9.8)
<b>(35.1)</b>	<b>17.1</b>	<b>Total tax expense reported in profit or loss</b>	<b>16.8</b>	<b>(5.5)</b>

**Effective tax rate**

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2025	2024		2025	2024
(110.9)	87.0	Net income before tax	(61.7)	(109.2)
(24.4)	19.1	22% of net income before tax	(13.6)	(24.0)
(10.7)	(2.0)	22% of permanent differences	38.5	7.9
-	-	Effect of deferred tax asset not recognized	(10.3)	(26.5)
<b>(35.1)</b>	<b>17.1</b>	<b>Calculated tax</b>	<b>14.6</b>	<b>(5.5)</b>
32%	20%	Effective tax rate	24%	5%

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

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

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

**Tax payable in the balance sheet**

Archer Norge AS		(In NOK millions)	Archer Norge Group	
2025	2024		2025	2024
-	-	Current year	1.1	-
-	-	Withholding tax	-	-
-	-	<b>Payable tax in the balance</b>	<b>1.1</b>	<b>-</b>

**Global Minimum Top-up Tax**

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

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

The tax legislation is effective from 1 January 2024, and therefore the Group is subject to the global minimum top-up tax under Pillar Two legislation for the fiscal year 2025.

The Group has prepared a preliminary Transitional country-by-country reporting (CbCR) Safe Harbour assessment concluding on FY2025, based on which it expects to be eligible for the Transitional CbCR Safe Harbour in the majority of jurisdictions in which the Group is present during FY2025.

The top-up tax for fiscal year 2025 amounts to NOK 0.

At 31 December 2025, there are no indications that the top-up tax will have material impact to the Group in 2026.

**Note 7 Intangible Assets**

**Intangible assets - Archer Norge Group**

<b>(In NOK millions)</b>	<b>Intangible Assets</b>	<b>Total</b>
Accumulated acquisition cost at 01.01	128.9	128.9
Recognized on Acquisitions	20.2	20.2
Additions	93.7	93.7
<b>Accumulated acquisition cost 31.12</b>	<b>242.8</b>	<b>242.8</b>
Accumulated depreciation 01.01	71.4	71.4
Recognized on Acquisitions	18.2	18.2
Depreciation	29.9	29.9
<b>Accumulated depreciation 31.12</b>	<b>119.5</b>	<b>119.5</b>
<b>Net book value 31.12</b>	<b>123.4</b>	<b>123.4</b>
Estimated economic useful life	3-10 Years	

**Note 8 Property Plant and Equipment**

**Fixed assets - Archer Norge AS**

<b>(In NOK millions)</b>	<b>Furniture and equipment</b>	<b>IT-equipment and projects</b>	<b>Total</b>
Accumulated acquisition cost at 01.01	54.2	368.4	422.6
Additions	1.0	36.1	37.1
Disposals	-	-	-
<b>Accumulated acquisition cost 31.12</b>	<b>55.2</b>	<b>404.5</b>	<b>459.7</b>
Accumulated depreciation 01.01	32.1	209.4	241.6
Depreciation	7.5	58.4	65.9
<b>Accumulated depreciation 31.12</b>	<b>39.6</b>	<b>267.8</b>	<b>307.4</b>
<b>Net book value 31.12</b>	<b>15.6</b>	<b>136.7</b>	<b>152.4</b>
Estimated economic useful life	3-10 Years	3-5 Years	

<b>(In NOK millions)</b>	<b>Total</b>
Leases recognized on the balance	11.7
Lease liability recognized in the balance	13.5
Depreciation on leasing	7.0

**Fixed assets - Archer Norge Group**

<b>(In NOK millions)</b>	<b>Operational Equipment</b>	<b>IT-equipment and projects</b>	<b>Construction / CIP</b>	<b>Other Fixed Assets</b>	<b>Total</b>
Accumulated acquisition cost at 01.01	3,767.0	358.0	32.9	92.5	4,250.4
Assets recognised on acquisition	82.6	-		12.2	94.9
Additions	394.4	36.1	57.3	1.0	488.8
Disposals	(152.4)	-		(0.1)	(152.5)
Cost Transferred	-	-	-	-	-
Translation adjustment	(135.3)	-	(2.8)	(3.1)	(141.2)
<b>Accumulated acquisition cost 31.12</b>	<b>3,965.3</b>	<b>394.1</b>	<b>87.4</b>	<b>102.5</b>	<b>4,540.4</b>
Accumulated depreciation 01.01	2,592.6	220.0	-	43.2	2,855.8
Accumulated depreciation recognised on acquisition	60.9	-	-	9.7	70.7
Depreciation	284.8	37.5	-	8.5	330.8
Accumulated depreciation disposals	(94.9)	-	-	-	(94.9)
Translation adjustment	(77.5)	-	-	-	(77.7)
<b>Accumulated depreciation 31.12</b>	<b>2,766.0</b>	<b>257.5</b>	<b>-</b>	<b>61.2</b>	<b>3,084.7</b>
<b>Net book value 31.12</b>	<b>1,190.3</b>	<b>136.7</b>	<b>87.4</b>	<b>41.3</b>	<b>1,455.7</b>
Estimated economic useful life	3-10 Years	3-5 Years		3-10 Years	

**(In NOK millions)**

Leases recognized on the balance	246.3
Lease liability recognized in the balance	272.0
Depreciation on leasing	68.2

## Note 9 Subsidiaries and other long-term investments

Subsidiaries which are consolidated in group accounts

### Subsidiaries

Company	Location	Ownership	Total Equity	Result 2025	Book Value
Archer AS	Sandnes	100 %	487.0	139.5	1,976.8
Archer Consulting AS	Sandnes	100 %	9.0	5.9	9.0
Archer Oiltools AS*	Sandnes	99 %	45.5	97.6	388.8
DLS Argentina Fluidos S.A.*	Buenos Aires	90 %	79.3	1.8	-
DLS Archer LTD SA*	Buenos Aires	98 %	211.7	(61.7)	122.3
Archer Poland sp. Z.O.O	Gdansk	100 %	0.01	(1.0)	-
Vertikal Service AS	Volda	65 %	32.5	14.5	26.5
Archer Wind AS	Stavanger	100 %	140.7	(68.1)	115.9
Archer WellConnection AS	Sandnes	100 %	26.4	29.6	47.4
Archer Well Machining AS	Sandnes	100 %	3.5	0.01	10.0
<b>Total</b>					<b>2,696.8</b>

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

Archer Norge AS has assessed the carrying amounts of investments in subsidiaries as at 31 December 2025 to determine whether there is any indication of impairment. The assessment was based on information available and market conditions known at the time of preparation of the statutory financial statements.

The impairment assessment is based on discounted cash flow analyses, using assumptions related to future revenue growth, profitability and terminal growth. The recoverable amount is determined as the present value of expected future cash flows.

Due to uncertainty related to the determination of an appropriate weighted average cost of capital (WACC) for Argentina, the recoverable amount as at 31 December 2021 was aligned with the equity value reflected in the consolidated financial statements of Archer Ltd. This resulted in a higher impairment recognised in 2021 than indicated by the cash-flow-based valuation. Subsequent impairment testing performed as at 31 December 2024 and 31 December 2025 did not identify a need for further impairment.

The investment in DLS Argentina Fluidos S.A. was written down to zero as of 1 January 2021 and remains fully impaired as at 31 December 2025.

The investment in DLS Archer Ltd S.A. was written down by NOK 95.6 million in 2023.

The valuation of investments in DLS Archer S.A. and DLS Fluidos is subject to estimation uncertainty, particularly related to terminal value assumptions. Terminal growth rates of 1–2 per cent have been applied based on expected future market developments within Archer's business areas. EBITDA margins are assumed to improve moderately. If these assumptions do not materialise, further impairment may be required.

In 2025, Archer AS and Comtrac AS were merged, with Comtrac AS being consolidated into Archer AS.

The investment in Archer Poland sp. z o.o. was written down to zero in 2025.

### Investment in associates and Joint Ventures

Archer Norge AS and Archer Norge Group has the following participation in investments that are recorded using the equity method:

**Associates and Joint Venture**

	December 31, 2025	December 31, 2024
dSolve AS	20 %	-
Archer Well Oil and Gas Services LLC	30 %	30 %
Archer Elemental Norway AS	60 %	-

The carrying amounts of the Group's investments accounted for using the equity method are as follows:

(In NOK millions)	December 31, 2025	December 31, 2024
Initial investment in dSolve AS	39.7	-
Share of net results since acquisition	0.1	-
Reported investment in associates	<b>39.8</b>	-

**dSolve AS**

During the nine months of 2025, we paid 24.5 million to acquire 20% of 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 15.2 million.

**Archer Well Oil and Gas Services LLC**

An Archer group company. The remaining shares are owned by Archer Well Co. International Ltd.

**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 company 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 10 Inventories**

(In NOK millions)	Archer Norge Group	
	2025	2024
Finished goods	279.6	154.4
Work in progress	2.6	13.6
Spare Parts	92.6	235.3
Drilling supplies	-	1.0
Write-down of obsolete inventory	(26.1)	(26.8)
<b>Total Inventories</b>	<b>348.7</b>	<b>377.4</b>

The write-down of obsolete inventory at year-end is related to finished goods (24.2) and Spare Parts (1.8).

## Note 11 Long-term interest bearing debt

### Senior Secured Bonds

In February 2025 Archer Norge AS issued 5 year \$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. At 31 December 2025, the bonds were recognised at a carrying amount of NOK 4,209.2 million after adjusting for NOK 65.3 million in prepaid debt fees.

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:

- Archer shall ensure that the free liquidity of the Group is at all times the higher of \$30 million and 5.00 percent of gross interest-bearing debt.
- Archer 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 31 December 2025, Archer 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 "RCF"). 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 RCF is carved out into two overdraft facility of \$35.0 million and \$40.0 million respectively. The RCF is secured by pledges over shares in material subsidiaries, assignment over intercompany debt and guarantees issued by the material subsidiaries.

The RCF 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 \$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 RCF 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 31 December 2025, Archer is compliant with all covenants under this RCF.

### Other loans

As described above, a total of \$75.0 million of the Revolving Credit Facility is carved out into overdraft facilities. At 31 December 2025, USD 16.5 million was drawn under the overdraft facilities, recognised at NOK 165.3 million and recorded as current liabilities to financial institutions.

We have finance arrangements relating to equipment in our Well Services and Platform Operation division. At 31 December 2025, the balance included in non-current liabilities to financial institutions relating to these arrangements amounted to NOK 272.1 million.

A total of NOK 8.1 million in interest bearing debt was recorded in our partly owned subsidiary Archer Vertikal AS.

## Note 12 Related Party Balances

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

### Short term related party receivables - Parent Company

<i>(In NOK millions)</i>	December 31, 2025	December 31, 2024
Archer AS	169.1	397.4
Archer Ltd (BM)	128.9	997.6
Archer (UK) Ltd	79.6	21.0
Archer Assets UK Ltd	50.3	28.8
Archer Wind	50.2	-
Archer Oiltools AS	29.9	127.2
Archer Emerald Ltd	24.6	4.2
Archer DLS Corporation (BVI Company)	-	45.0
Other related parties	48.9	43.5
<b>Total</b>	<b>581.5</b>	<b>1,664.7</b>

Receivables related to Archer DLS Corporation have been written down by 56.8 million.

### Long term related party receivables - Parent Company

<i>(In NOK millions)</i>	December 31, 2025	December 31, 2024
Archer Assets UK Ltd	1,604.2	1,414.9
Archer Well Company Inc.	1,352.8	1,338.0
Archer Oiltools AS	504.0	338.0
DLS Archer Ltd SA	169.0	175.9
Other related parties	80.9	72.4
<b>Total</b>	<b>3,710.9</b>	<b>3,339.3</b>

Due to inability to pay interest Archer Norge AS waives its rights to charge interest for loans related to DLS Archer Argentina Fluidos for 2025.

Receivables related to DLS Archer Argentina Fluidos is per 31.12.2025 written down by 25.5 million.

**Short term related party debt - Parent Company**

<b>(In NOK millions)</b>	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Archer AS	587.9	753.2
Archer Oiltools AS	58.5	83.1
Archer Ltd (BM)	47.8	173.1
Archer Wellconnection AS	20.2	-
Archer (UK) Ltd	17.6	330.6
Archer Well Company Inc.	17.4	17.4
Archer Oil Tools LLC	15.2	-
Other related parties	21.3	38.1
<b>Total</b>	<b>786.1</b>	<b>1,395.5</b>

**Long term related party debt - Parent Company**

<b>(In NOK millions)</b>	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Archer Well Company (Australia) Pty Ltd	33.7	28.5
<b>Total</b>	<b>33.7</b>	<b>28.5</b>

Archer Norge Group has the following related party balances

**Short term related party receivables - Archer Norge Group**

<b>(In NOK millions)</b>	<b>December 31, 2025</b>	<b>December 31, 2024</b>
DLS Argentina Limited Suc Argentina	264.2	193.9
Archer (UK) Ltd	145.1	85.1
Archer Ltd (BM)	129.4	996.3
Archer Oiltools LLC	115.1	76.8
Archer BCH (Canada) Ltd	109.2	14.9
Archer UK Ltd Abu Dhabi Branch	78.1	79.3
Archer Assets UK Ltd	50.3	28.9
Archer DLS Corporation Surcursal Bolivia	45.6	31.1
Archer DLS Corporation (BVI Company)	-	129.8
Archer Emerald Ltd	24.6	-
Other related parties	85.0	76.9
<b>Total</b>	<b>1,045.9</b>	<b>1,713.0</b>

**Long term related party receivables - Archer Norge Group**

<b>(In NOK millions)</b>	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Archer Assets UK Ltd	1,604.2	1,414.9
Archer Well Company Inc.	1,352.8	1,338.0
Other related parties	-	9.6
<b>Total</b>	<b>2,957.0</b>	<b>2,762.6</b>

Due to a permanent inability to pay interest on the loan balance, Archer Norge AS has waived its rights to charge interest for loan related to DLS Archer Argentina Fluidos for 2025.

**Short term related party debt - Archer Norge Group**

<b>(In NOK millions)</b>	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Archer BCH (Canada) Ltd	403.4	362.6
Archer UK Ltd Abu Dhabi Branch	133.1	181.9
Archer (UK) Ltd	48.7	334.2
DLS Argentina Limited Suc Argentina	41.4	23.9
Archer DLS Corporation Surcursal Bolivia	32.0	-
Archer Oiltools LLC	27.0	1.5
Archer Well Company Inc.	19.7	21.4
Archer Ltd (BM)	9.4	173.1
Other related parties	46.1	60.3
<b>Total</b>	<b>760.8</b>	<b>1,158.9</b>

**Long term related party debt - Archer Norge Group**

<b>(In NOK millions)</b>	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Archer Well Company (Australia) Pty Ltd	33.7	28.5
<b>Total</b>	<b>33.7</b>	<b>28.5</b>

**Note 13 Cash and Cash Equivalents**

Restricted cash arising from advance employee tax withholdings:

- Archer Norge AS 2.6 millions.
- Archer Norge Group 15.8 millions.

During 2023, a cash pool arrangement was established with SR-Bank, under which Archer Norge AS acts as the owner and contractual counterparty to the bank. The cash pool arrangement is used to centralise liquidity management for companies within the Archer Norge group, as well as for other group companies outside the Archer Norge group.

**Note 14 Shareholders and Equity****Share Capital**

The company's share capital is NOK 1,268,850,000 divided into 12,688,500 shares with a nominal value of NOK 100. There is one share class and all shares carry equal voting rights. All shares are owned by Archer Assets UK Ltd.

**Equity change for Archer Norge AS**

<b>(In NOK millions)</b>	<b>Share Capital</b>	<b>Share Premium</b>	<b>Other Paid-in Capital</b>	<b>Other Equity</b>	<b>Total Shareholders' Equity</b>
<b>Equity as at 01.01.2025</b>	<b>1,268.9</b>	<b>1,148.0</b>	<b>220.0</b>	<b>(713.4)</b>	<b>1,923.4</b>
Net loss	-	-	-	(75.8)	(75.8)
Stock options	-	-	1.8	-	1.8
<b>Equity as at 31.12.2025</b>	<b>1,268.9</b>	<b>1,148.0</b>	<b>221.8</b>	<b>(789.2)</b>	<b>1,849.4</b>

**Equity change for Archer Norge Group**

<b>(In NOK millions)</b>	<b>Share Capital</b>	<b>Share Premium</b>	<b>Other Paid-in Capital</b>	<b>Other Equity</b>	<b>Total Shareholders' Equity</b>	<b>Non-controlling interest</b>
<b>Equity as at 01.01.2025</b>	<b>1,268.9</b>	<b>1,148.0</b>	<b>218.5</b>	<b>(2,319.0)</b>	<b>316.5</b>	<b>2.1</b>
Net loss	-	-	-	(83.5)	(83.5)	5.2
Stock options	-	-	-	2.8	2.8	-
Translation difference	-	-	-	(28.8)	(28.8)	-
<b>Equity as at 31.12.2025</b>	<b>1,268.9</b>	<b>1,148.0</b>	<b>218.5</b>	<b>(2,416.1)</b>	<b>206.9</b>	<b>7.4</b>

**Note 15 Guarantees, pledges, etc.**

Archer Norge AS has provided pledges over shares in its material subsidiaries, assignment over intercompany debt and guarantees issued by the material subsidiaries as security for the Senior Secured Bonds and RCF as described in Note 11 Long-term interest bearing debt. In addition, Archer Norge's own shares are pledged as security for these creditors.

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

**Note 16 Other Short Term Receivables**

Our other noncurrent assets are composed of the following:

<b>Archer Norge AS</b>		<b>(In NOK millions)</b>	<b>Archer Norge Group</b>	
<b>2025</b>	<b>2024</b>		<b>2025</b>	<b>2024</b>
48.4	51.2	Prepaid expenses	83.8	81.4
-	35.3	VAT and other taxes receivables	35.8	90.6
1.2	4.0	Reimbursements	78.2	30.6
2.1	1.9	Other short term receivables	84.6	10.0
<b>51.7</b>	<b>92.4</b>	<b>Total short term receivables</b>	<b>282.4</b>	<b>212.6</b>

**Note 17 Other Current Liabilities**

Our other current liabilities are comprised of the following:

<b>Archer Norge AS</b>		<b>(In NOK millions)</b>	<b>Archer Norge Group</b>	
<b>2025</b>	<b>2024</b>		<b>2025</b>	<b>2024</b>
141.8	126.7	Accrued interest	142.0	126.9
16.8	16.4	Accrued expenses	306.5	224.5
38.1	49.2	Accrued salaries	186.7	198.1
31.9	65.2	Other current liabilities	292.0	256.7
<b>228.5</b>	<b>257.6</b>	<b>Total other current liabilities</b>	<b>927.2</b>	<b>806.2</b>

## Note 18 Goodwill

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

<i>(In NOK millions)</i>	<b>Goodwill</b>	<b>Badwill</b>	<b>Net Value</b>
<b>Value at beginning of year</b>	<b>53.5</b>	<b>(27.0)</b>	<b>26.6</b>
Goodwill acquired during the year	25.3	-	25.3
Translation adjustments	-	-	-
<b>Accumulated goodwill acquired 31.12</b>	<b>78.8</b>	<b>(27.0)</b>	<b>51.8</b>
Accumulated depreciation 01.01	<b>(6.2)</b>	<b>1.8</b>	<b>(4.3)</b>
Depreciation	(13.2)	5.4	(7.8)
<b>Accumulated depreciation 31.12</b>	<b>(19.4)</b>	<b>7.2</b>	<b>(12.2)</b>
<b>Net book balance at end of year</b>	<b>59.4</b>	<b>(19.7)</b>	<b>39.6</b>
<b>Estimated economic useful life</b>	5 Years	5 years	

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

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

### Wellconnection Norway AS and Well Machining 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 30.2 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**

	<i>(In NOK millions)</i>
Cash	15.9
Receivables	31.5
Inventories	0.5
Property plant and equipment	21.5
Intangible assets: Research and development	1.5
Deferred tax	12.0
Payables and other liabilities	(78.1)
<b>Net Assets</b>	<b>4.8</b>

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The estimated fair value of the receivables acquired is the gross contractual amounts receivable, and it is anticipated that the amounts will be collected within twelve months following the acquisition. The 25.3 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 the Platform operations segment.

### Comtrac AS

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

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

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

#### **Fair value of assets acquired (preliminary)**

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

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

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

### Sada Argentina S.R.L.

On July 31, 2024, Archer Norge's fully owned Argentine subsidiaries completed the purchase Sada Argentina S.R.L., (or Sada), from an unrelated third party, Air Drilling Associated. Sada 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 Sada to be provided by alongside land drilling services already provided, so the Sada business compliments Archer's operations and facilitates the offering of integrated services by Archer.

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

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

**Fair value of assets acquired (preliminary)**

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

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

**Moreld Ocean Wind AS**

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

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

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

**Fair value of assets acquired (preliminary)**

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

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

**Vertikal Services AS**

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

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

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

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

### **Fair value of assets acquired (preliminary)**

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

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

### **Iceland Drilling Company Ltd.**

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

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

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

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

**Note 19 Part of Archer Norge group****Archer Norge group companies and ownership interests**

<b>Company</b>	<b>Country of incorporation</b>	<b>Direct and indirect shareholding and voting rights</b>
Archer Norge AS	Norway	100%
Archer AS	Norway	100%
Archer Elemental Norway AS*	Norway	60%
Archer Oiltools AS	Norway	100%
Archer Consulting AS	Norway	100%
Archer Wellconnection AS	Norway	100%
Archer Well Machining AS	Norway	100%
Archer Wind AS	Norway	100%
dSolve AS*	Norway	20%
Vertikal Service AS	Norway	65%
DLS Archer Ltd. S.A.	Argentina	100%
DLS Argentina Fluidos S.A.	Argentina	100%
DLS Sada Argentina S.R.L.	Argentina	95%
Archer Poland Sp. z O.O	Poland	100%
Archer Well Oil and Gas Services LLC*	UAE	30%
Ziebel US Inc	United States	100%

\*non-consolidated

**Note 20 Subsequent Events**

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

On 10 March 2026, Archer announced the extension of a wireline contract for an additional three years in Norway.

On 27 April 2026, Archer was awarded a three-year contract extension by Equinor ASA for the provision of wireline and intervention services on the Norwegian Continental Shelf.