



Archer

Q2 2025 results

Dag Skindlo
Chief Executive Officer

Espen Joranger
Chief Financial Officer

14 August 2025

Archer

Disclaimer

Cautionary Statement Regarding Forward-Looking Statements

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

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

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

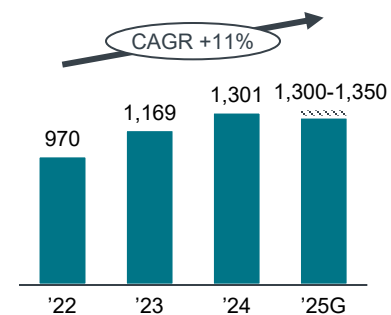


Archer

The Well Company

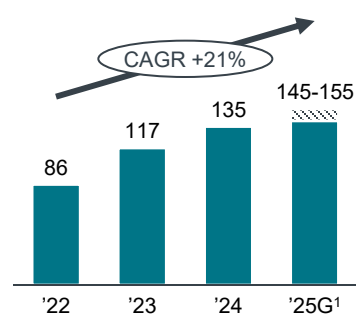
Revenue

\$m



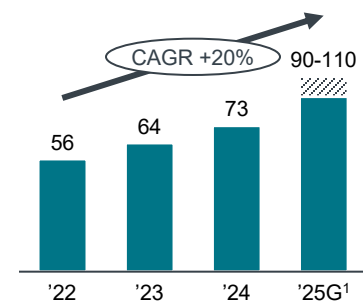
EBITDA

\$m

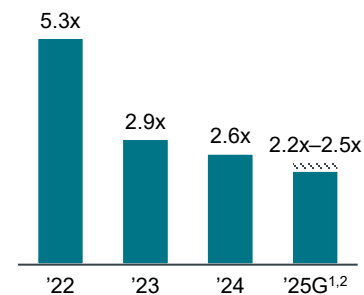


Cash contribution

\$m

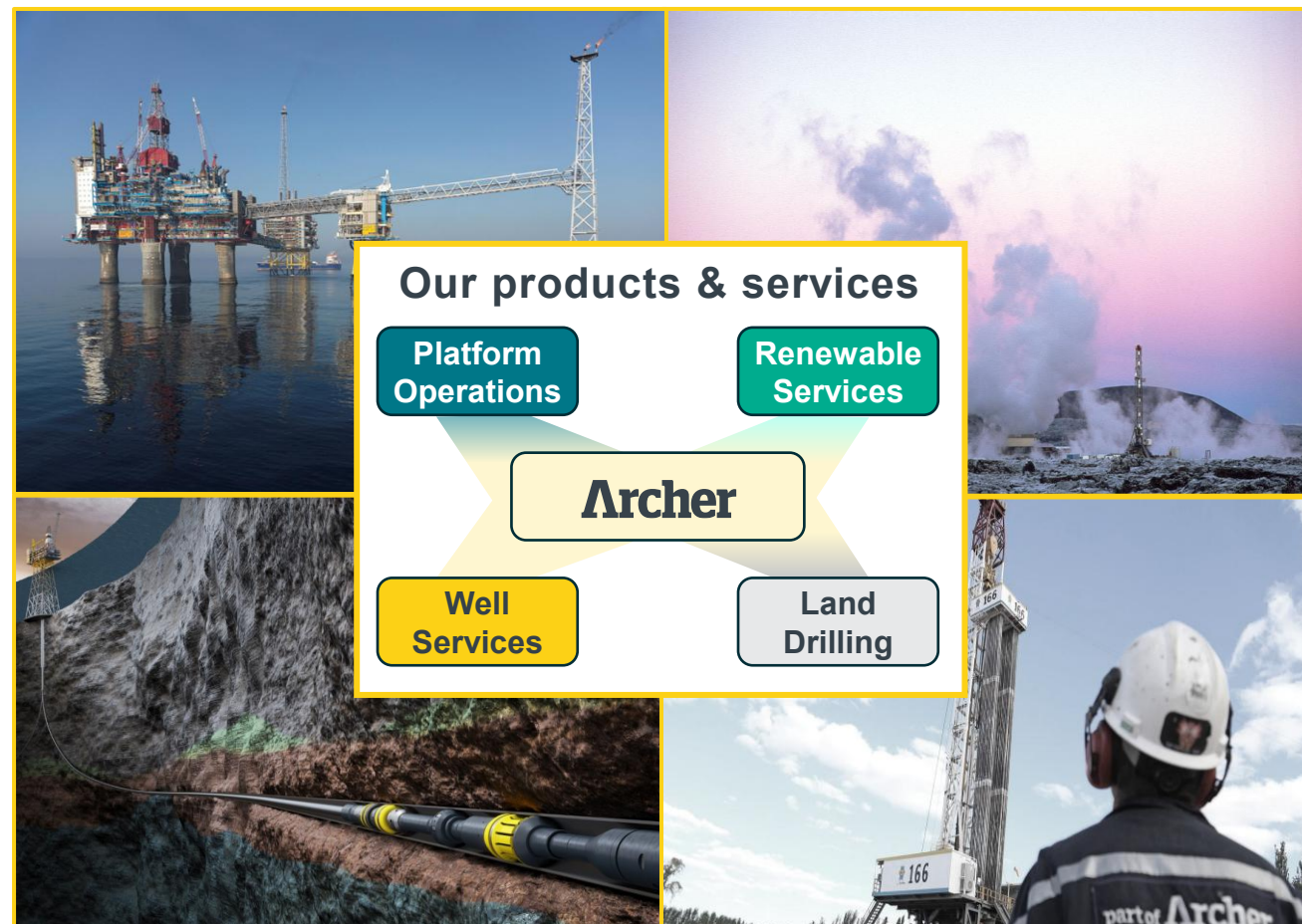


Leverage ratio



■ EBITDA - Capex

■ Reported NIBD/adj. EBITDA



Our products & services

Platform Operations

Renewable Services

Archer

Well Services

Land Drilling

¹ Re-established financial guidance, see details in financial guidance slide.

² Including planned quarterly cash distributions and adjusted EBITDA guidance



Archer to distribute \$5.5 million to shareholders in Q3, equal to ~11% yield

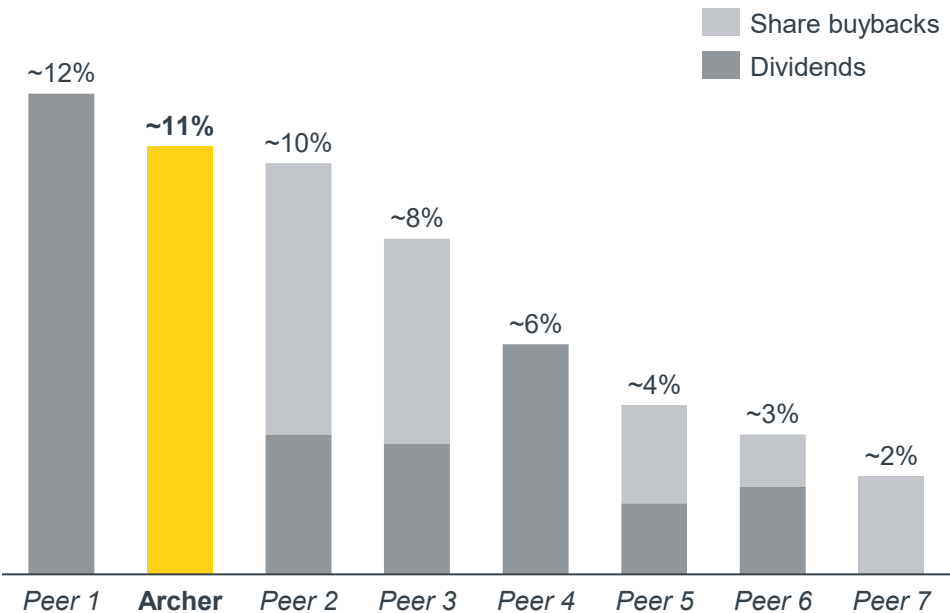
Q3 cash distribution

- ✓ **Payout per share:** NOK 0.62 per share
- ✓ **Total distribution:** Approx. \$5.5 million
- ✓ **Payment date:** On or around 26th of August
- ✓ **Planned frequency:** Quarterly

- ✓ Archer's announced shareholder return program initiated in Q2 with a distribution of about \$5.5million
- ✓ \$5.5million approved for shareholders distribution in Q3
- ✓ Target to increase cash distribution to shareholders over time, in line with growth in earnings

Archer with attractive direct yield

Shareholder program yields in industry¹



¹ Per 13.08.25. Yield of peers based on forward annual dividend yield plus share buyback yield, as reported by Morningstar. Sample include Odfjell Technology, SLB, Halliburton, Weatherford, H&P, Baker Hughes, Expro.
Source: Morningstar Inc.

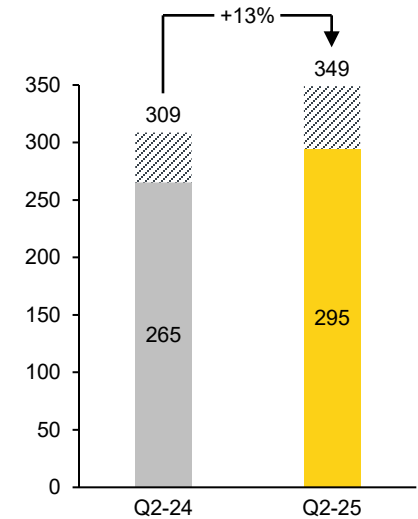
Q2 Highlights – continued growth

- Revenue of \$348.9 million; up 13% YOY
- EBITDA of \$38.0 million, up 16% YOY
- Adjusted EBITDA of \$41.7 million, up 30% YOY
- Quarterly cash distribution to shareholder of \$5.5 million
- Renewed pulling and workover contract with PAE (\$210m)
- Awarded late-life operations and P&A for Repsol’s in UK (\$150m)
- Restructuring in Argentina South

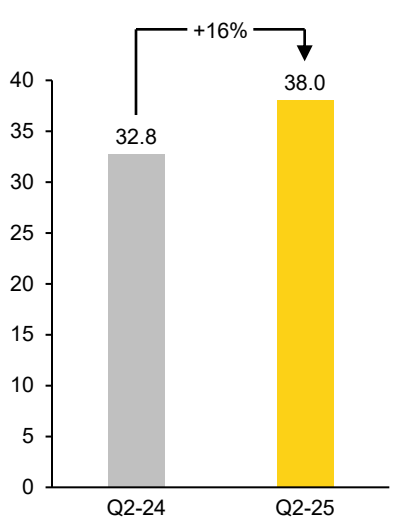
Subsequent events

- Acquired WellConnection, taking drillpipe inspection and repair services in Norway inhouse
- Second quarterly cash distribution to shareholders approved, totalling \$5.5 million (NOK 0.62/share), implied yield of 11%

Revenue (\$m)

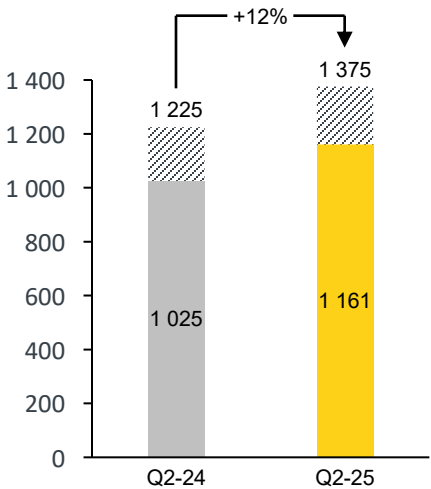


EBITDA (\$m)

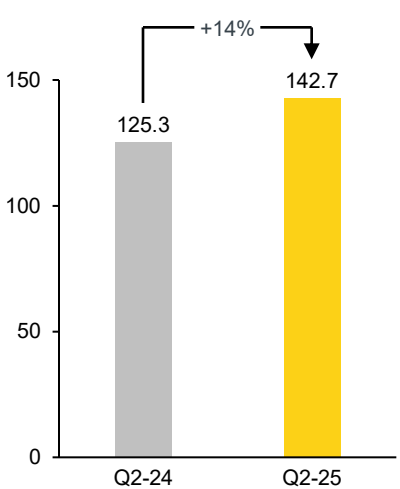


Reimbursable Operational revenue

LTM Revenue (\$m)



LTM EBITDA (\$m)

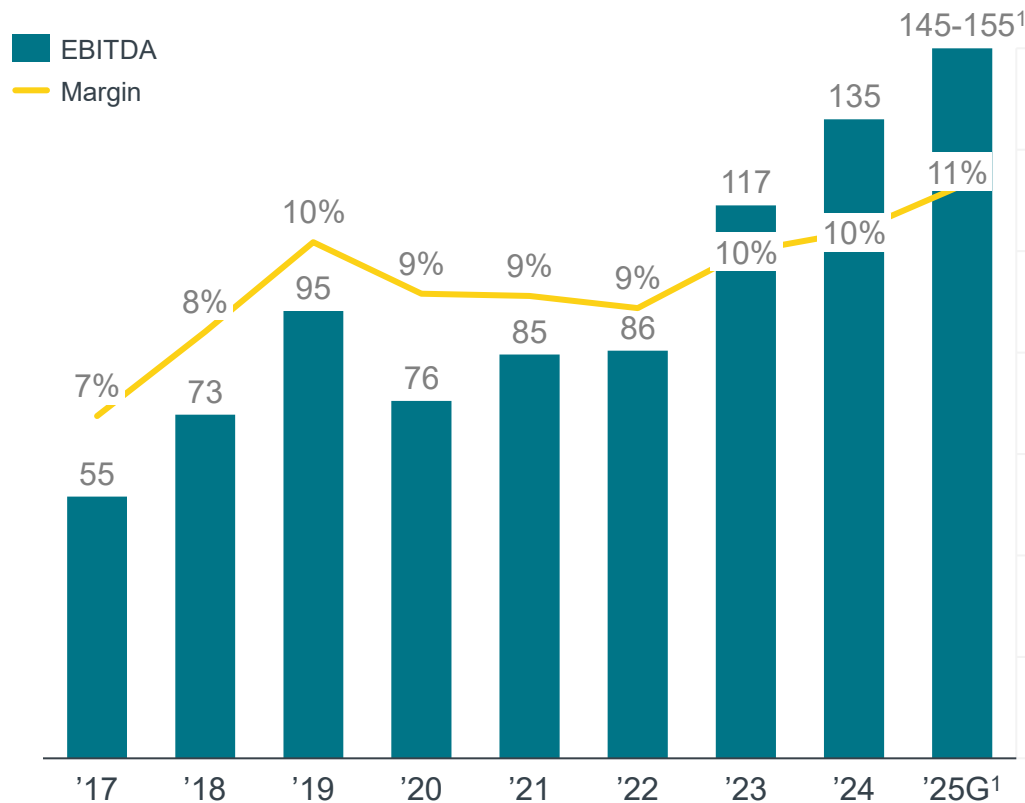


Reimbursable Operational revenue

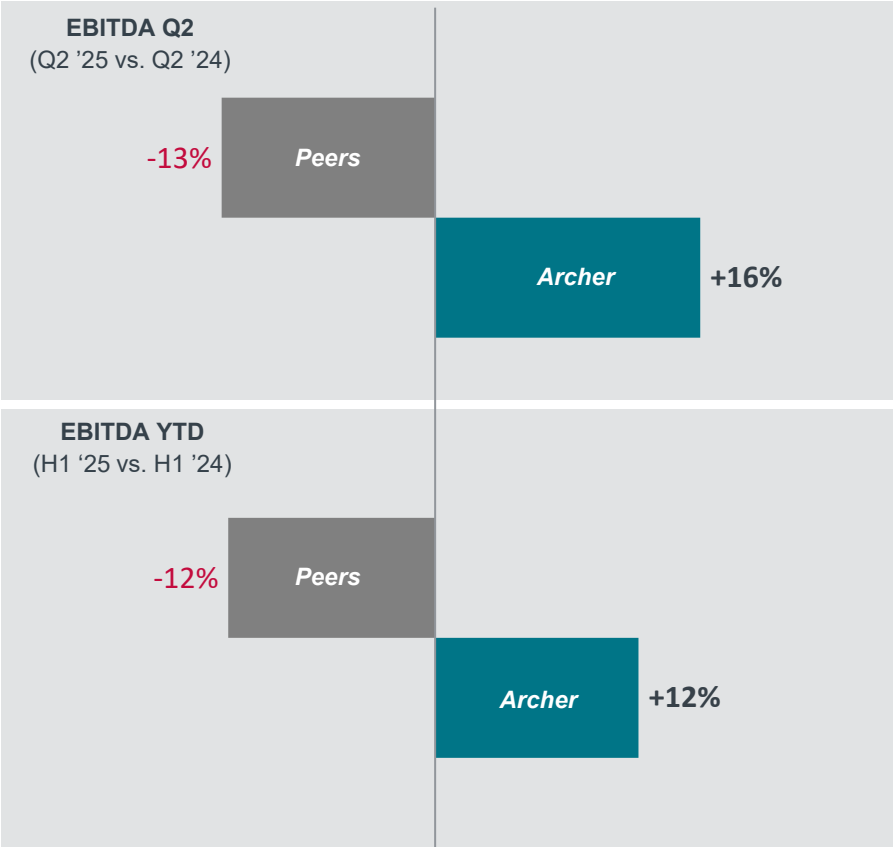


Archer's EBITDA remains fairly robust throughout the market cycles

Robust historical EBITDA



Strong YoY-performance relative to peers²



¹ Re-established financial guidance, see details in financial guidance slide
² Average of reported adj. EBITDA by oil service majors: Halliburton, Weatherford, Baker Hughes OFSE segment, SLB and Expro.
Source: Public company reports



2025 business outlook update – No change to cash distribution capacity

Land Drilling:
Activity down,
but net positive
impact on
cash flow

- Land Drilling with reduced revenue (by about \$100m), reduced EBITDA (\$10-12m) and reduced capex (\$8-9m), impacting Archer's 2025 outlook and guidance
- However, the net impact on cash flow is positive as the activity reduction is more than offset by reduced maintenance capex, working capital release and sale of excess equipment
- Going forward, activity in the south is expected to remain muted, while Vaca Muerta is set to rebound as investments shifts from infrastructure to drilling and completion activity

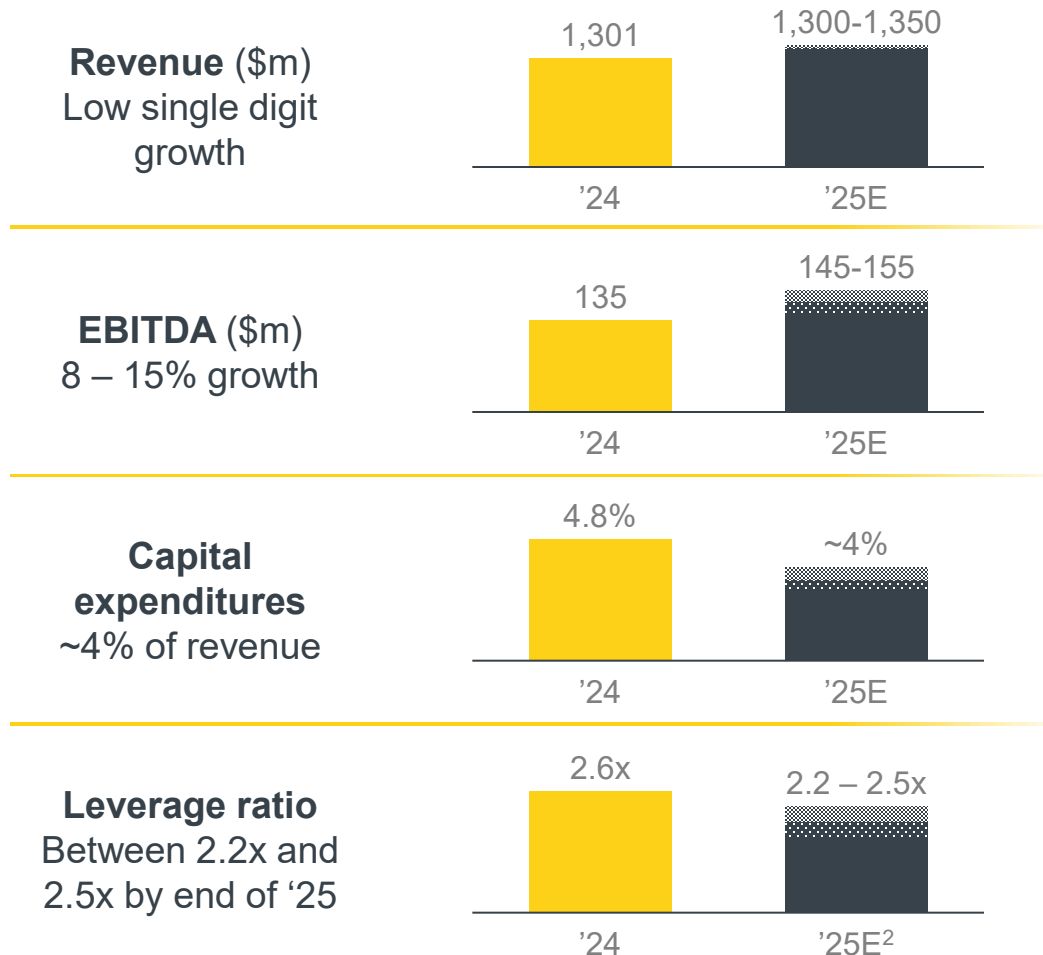
Archer¹:
Largely in line
with guidance

- Outside of Land Drilling, business is largely in line with prior guidance, despite slowdown in the US and delays in the UK
- We have increased our investments in lighter P&A units to support growth in 2026
- Visibility increased with long-term P&A projects for both Equinor Norway and Repsol UK

¹ Archer, excluding Land Drilling

Financial guidance for 2025

'25 Financial estimates¹



Key takeaways

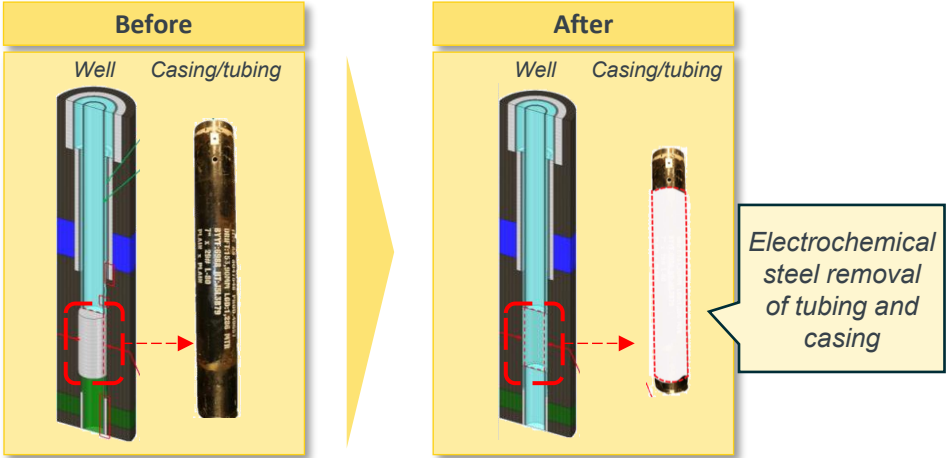
- No change to cash distribution capacity and policy
- Re-establishing our financial guidance for 2025, with adjustment related to reduced activity in Argentina and slightly softer well services market in the US and the UK
- Revenue set to increase by low single digits, as underlying growth is offset by reduction in Land Drilling activity
- EBITDA '25E to increase by 8-15% from 2024
- Adjusted EBITDA, reflecting restructuring costs to align cost structure to current activity, in line with previous EBITDA guidance of \$155-170 million
- Capex to be around 4% of revenue, following growth investments in lighter P&A units, offset by reduction in maintenance capex in Land Drilling
- We expect second half of '25 to be stronger than first half, due to commencement of projects and seasonal activity
- Strong cash flow allowing for debt servicing, deleveraging and continued cash distribution to shareholders
- Target to reach a leverage ratio of 1.5 - 2.0x over time

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

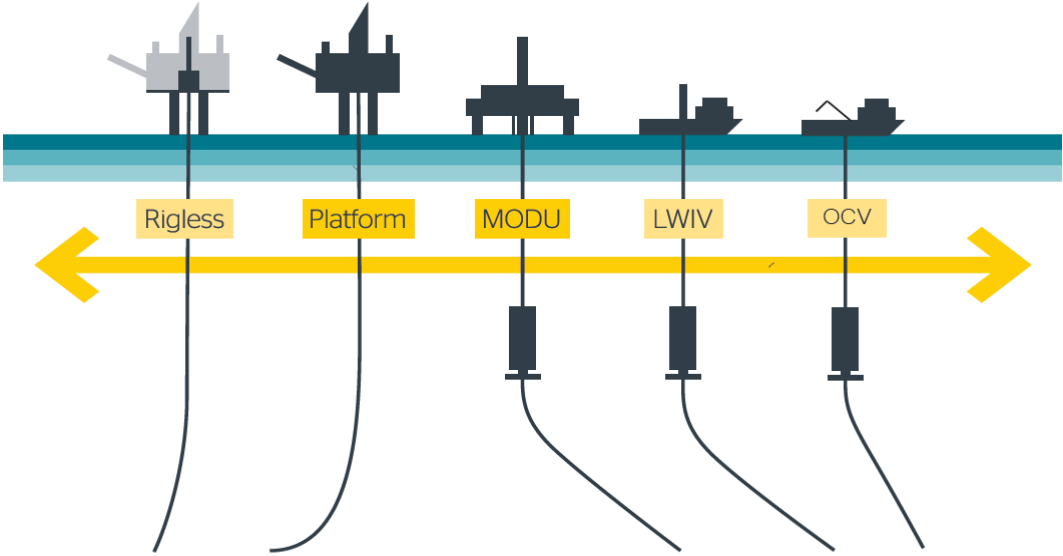
² Including planned quarterly cash distributions and adjusted financial guidance

Investing in subsea P&A solutions in line with our strategy

dSolve



Innovative technology reducing the need for a rig to execute P&A operations



Positioning to become a leading service provider in the growing subsea P&A segment

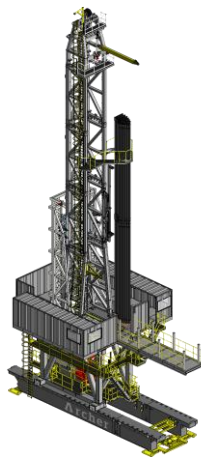
Technology with potential to significantly reduce the cost of subsea P&A

Investing in lighter P&A units for global growth

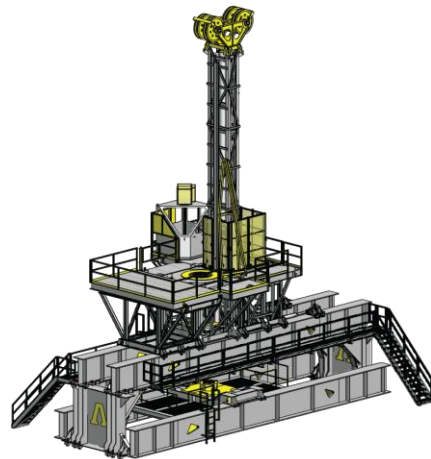
New Archer P&A units (2025/26)



Mobilizing for Equinor in Norway in Q3 2025



Committed to start operations with client in the UK in Q2 2026

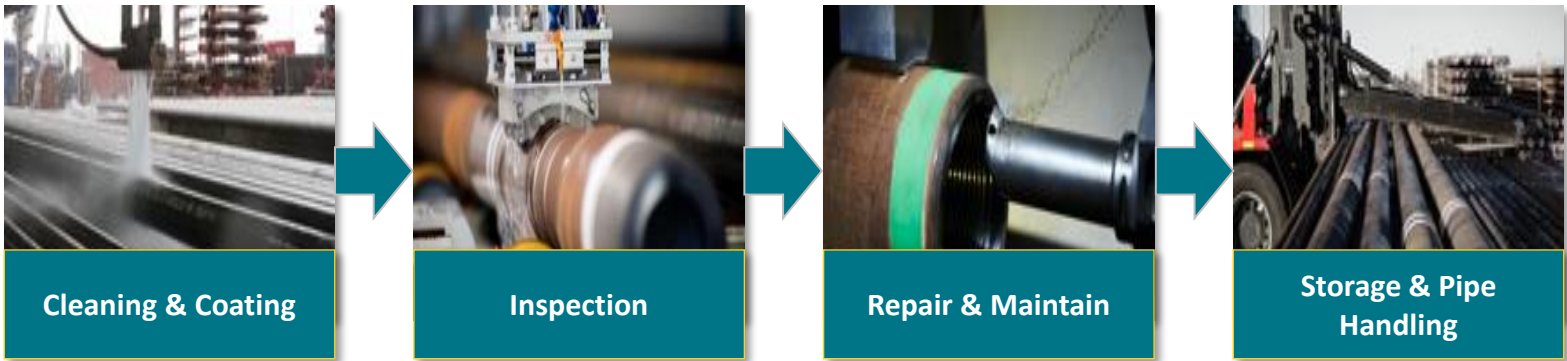


Committed to start operations in the US in Q2 2026



* Total investment per P&A unit \$7-10 million

We have strengthened our service offering in Norway

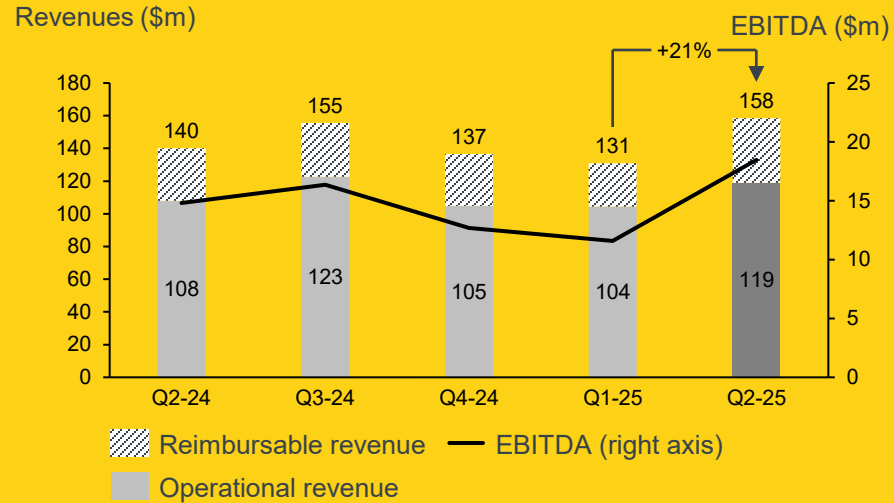


Integrated “one-stop shop” for inspection, maintenance and repair services for drill pipes and related equipment

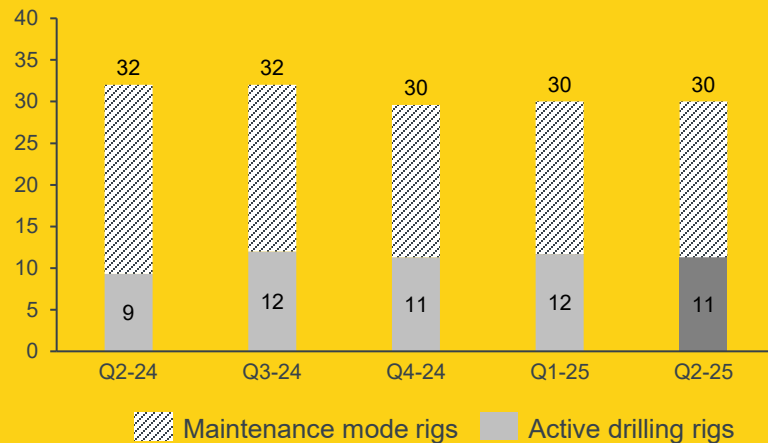
Recent investment to integrate drillpipe management services in-house



Platform Operations



Platform Drilling contracted rigs [# of rigs]

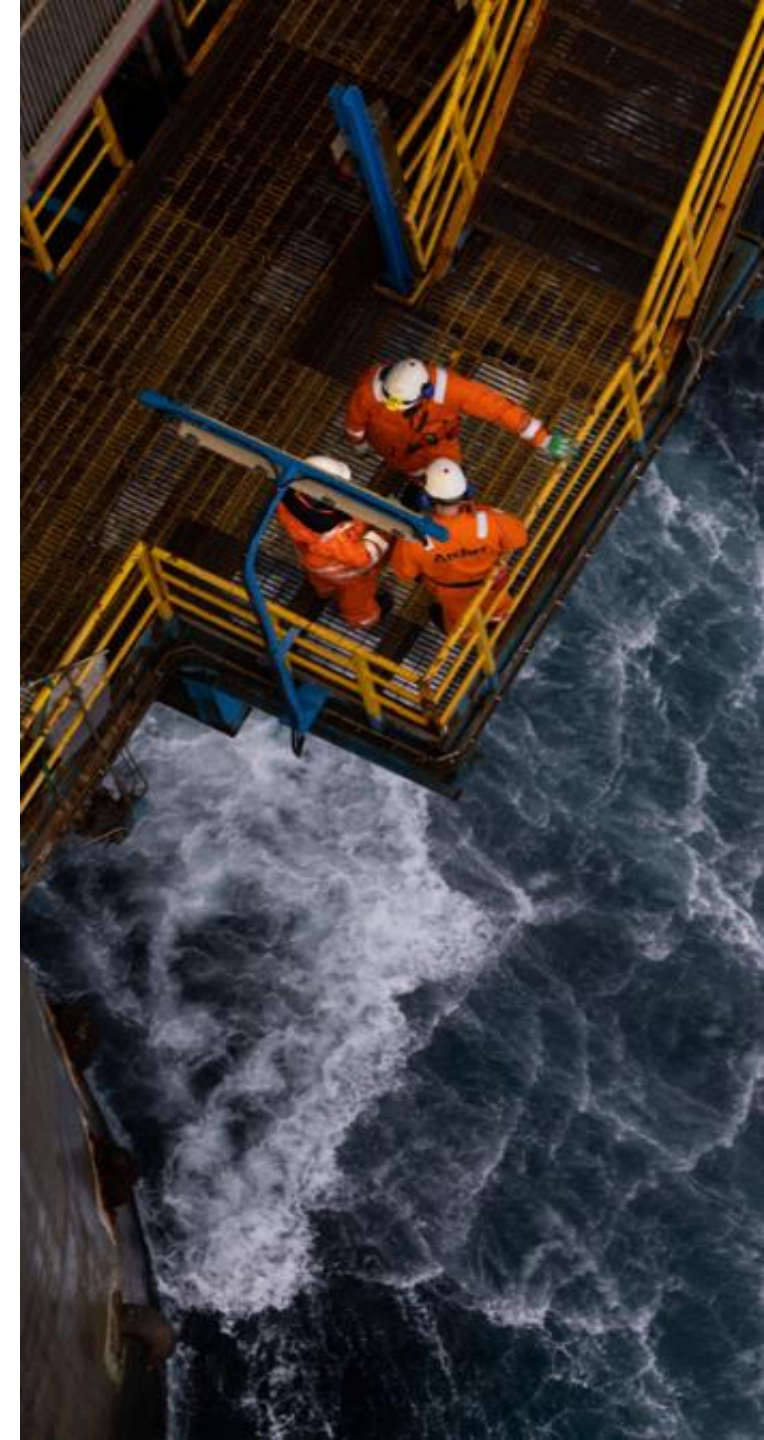


Financials

- Total revenue increased by 21% from previous quarter, mainly due to increased reimbursable revenue
- EBITDA of \$18.5 million reflects an exceptional strong contribution from modular drilling rigs in the quarter

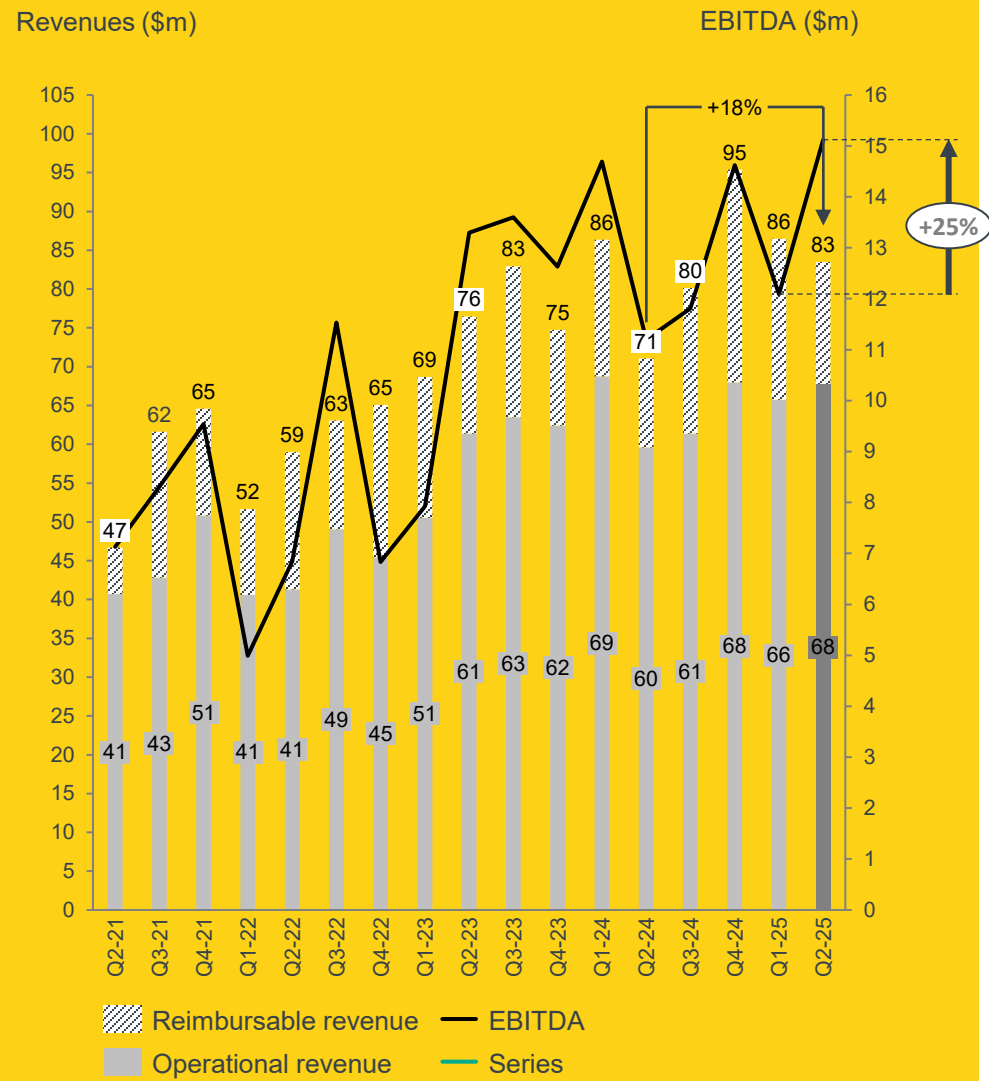
Operations

- With the acquisition of WellConnection we offer integrated “one-stop shop” services for inspection, maintenance and repair of drill pipes and related equipment
- Successfully completed our 3 years P&A campaign for client in the UK with our modular rig





Well Services

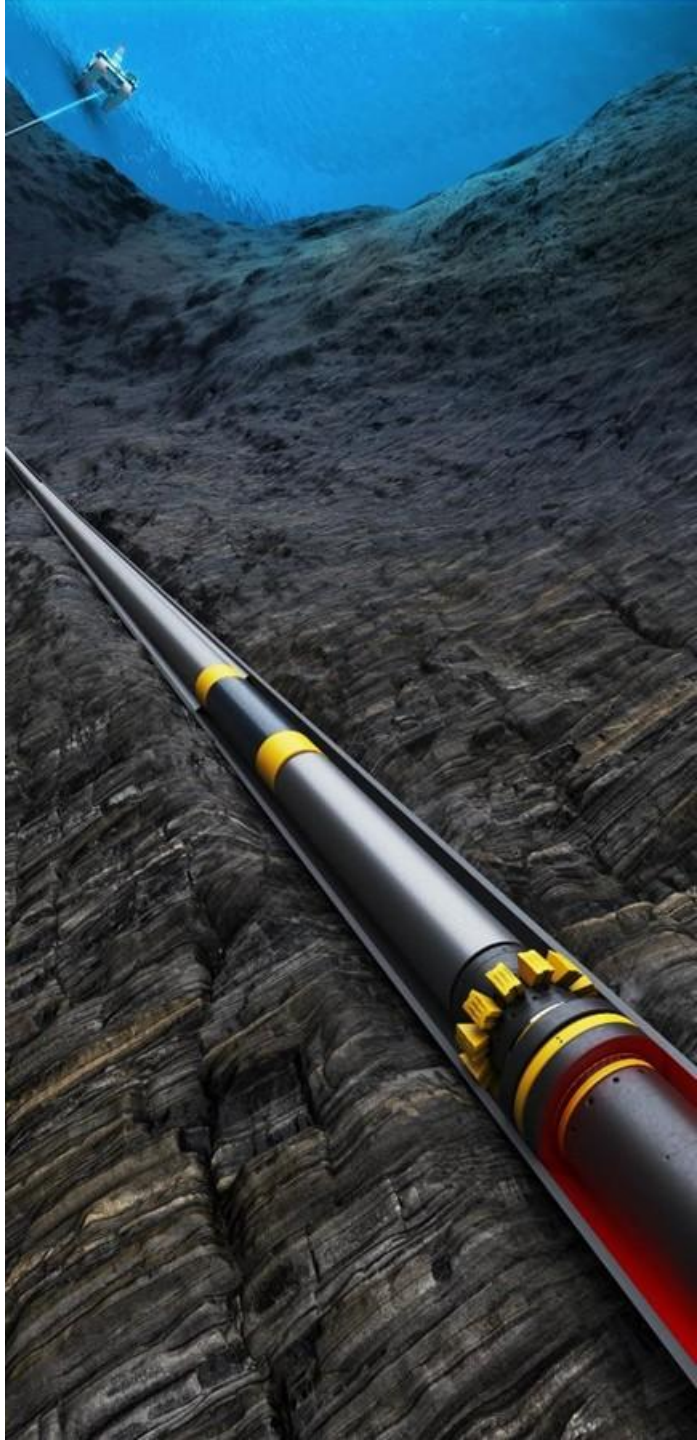


Financials

- Revenue of \$83.5 million, is 18% higher than Q2 2024, but a moderate reduction from previous quarter due to lower reimbursable revenue
- EBITDA of \$15.1 million represents a 35% increase compared to same period last year and a 22% increase compared to previous quarter, explained by higher activity in Norway

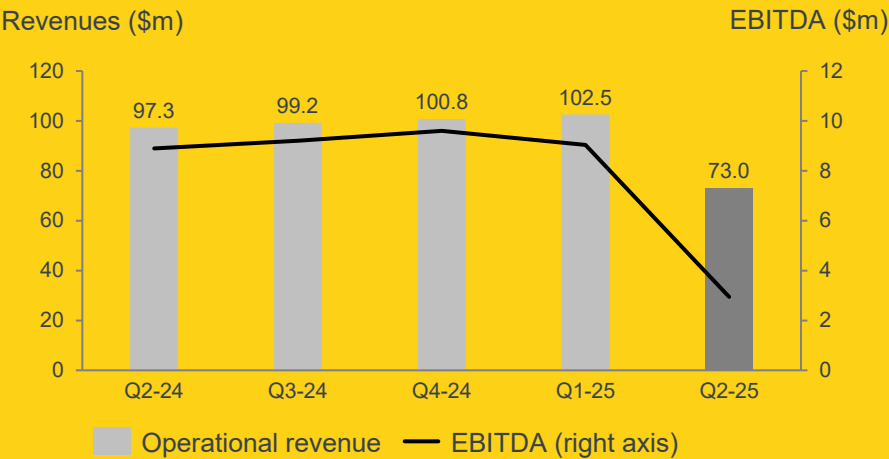
Operations

- High activity across service lines in Norway, with slightly softer activity in US and UK
- Mobilized our innovative conveyance tool, Comtrac, to perform operations in Norway

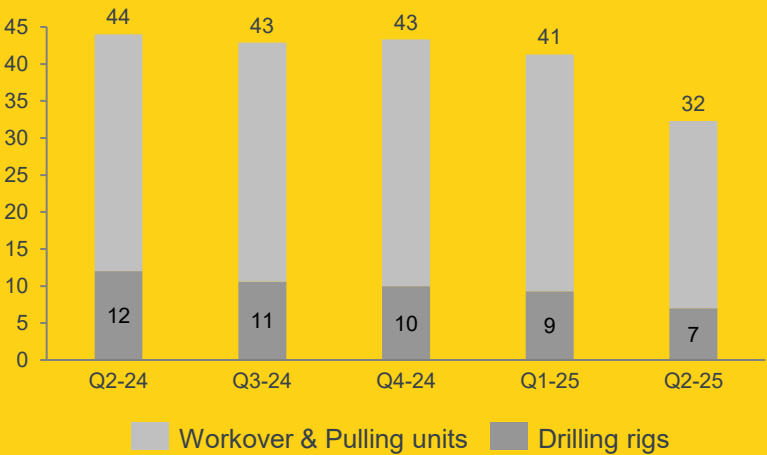




Land Drilling



Number of active Archer rigs



Financials

- Revenue in the quarter of \$73.0 million reflects the reduced activity in the south of Argentina
- EBITDA of \$2.9m reflects the cost of downsizing operations in the south
- Adjusted EBITDA of \$6.3 million, is down from \$8.4 million last year, based on reduction in drilling activity

Operations

- Overall service activity in Argentina is down by 26% from year-end 2024. We expect drilling activity to be flat throughout 2025 and to increase in 2026
- Completed the down manning of ~550 employees related to reduced drilling activity in the south of Argentina.
- PAE renewed contract in the south for 9 pulling units and 8 workover units





Renewable Services



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

Financials

- Revenue in the quarter of \$33.9 million, up from \$22.5 million reported in the previous quarter
- EBITDA in the quarter of \$3.0 million, up from \$2.5 million reported in the previous quarter

Operations

- High activity and utilization of rigs in geothermal segment
- High seasonal activity for wind services in Vertikal
- Fabrication of floating substructure for Total is finalized and shipment to assembly yard in Norway is ongoing





Condensed profit & loss

- Total revenue of \$348.9 million in Q2 2025 represent an increase of \$39.9 million from same quarter last year, driven by growth in all business areas, offset by reduction in Land Drilling
- EBITDA before expectational of \$41.7 million, with a margin 11.9%, up from 10.4% last year
- Exceptional items of \$3.7 million in the quarter mainly relates to down manning in Argentina
- EBITDA of \$38.0 million is an increase of \$5.2 million or 16% compared to Q2 2024
- EBIT of \$ 22.1 million
- Loss sale of business of \$8.7 million relates to the restructuring in Argentina
- Net profit of 1.4 million
- Adjusted net income of \$12.8 million

\$ million	Q2 2025	Q2 2024	YTD 2025	YTD 2024
Operating revenues	294.4	265.4	588.6	525.5
Reimbursable revenue	54.5	43.7	102.8	91.8
Total Revenues	348.9	309.0	691.4	617.3
EBITDA before exceptional items	41.7	32.2	82.9	65.1
<i>EBITDA margin before exceptional items</i>	<i>11.9%</i>	<i>10.4%</i>	<i>12.0%</i>	<i>10.5%</i>
Exceptional items	(3.7)	0.6	(11.4)	(1.5)
EBITDA	38.0	32.8	71.5	63.7
<i>EBITDA margin</i>		<i>10.6%</i>	<i>9.8%</i>	<i>10.3%</i>
Impairments and loss on sale of assets	(0.4)	(2.0)	(0.9)	(2.0)
Depreciation, amortization, other	(15.5)	(15.3)	(32.2)	(28.6)
EBIT	22.1	15.5	38.4	33.4
Loss on sale of business	(8.7)	-	(8.7)	-
Result from associated entities	-	1.0	-	0.9
Net interest expense	(13.1)	(12.1)	(26.8)	(23.6)
Amortization of prepaid debt fees	(0.5)	(1.7)	(1.7)	(3.4)
Other financial items	2.8	(0.6)	(32.2)	(13.1)
Profit (loss) before tax	2.7	2.1	(31.0)	(6.7)
Income tax	(1.3)	(1.1)	3.4	(3.1)
Net profit (loss)	1.4	1.0	(27.6)	(9.8)
Non-controlling interest	(0.6)	-	(1.2)	-
Net adjustments*	12.0	(0.3)	45.1	13.2
Adjusted net profit (loss) *	12.8	0.7	16.4	3.4

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



Condensed balance sheet

- Cash and cash equivalents of \$45.9 million, decreased by \$30.9 million compared to year end 2024
- Available liquidity of \$95 million and net reported NIBD \$435 million.
- Non-controlling interest is related to Archers 60% ownership in Iceland Drilling and 65% ownership in Vertikal Service.
- Equity of \$192.7 million

\$ million	30.06.2025	31.12.2024
Cash and cash equivalents	45.9	76.8
Restricted cash	3.8	3.8
Accounts receivables	198.2	187.8
Inventories	83.3	75.8
Other current assets	63.5	57.0
Investments and loans to associates	0.6	-
Property, plant and equipment	347.0	342.6
Right of use assets	26.8	26.4
Goodwill	192.9	174.0
Other non-current assets	61.5	56.5
Total assets	1,023.5	1,000.8
Current portion of interest-bearing debt	18.8	23.2
Accounts payable	103.7	112.2
Lease liability current	9.9	10.9
Other current liabilities	199.9	191.3
Long-term interest-bearing debt	462.0	418.1
Lease liability	16.9	15.6
Other noncurrent liabilities	2.9	6.7
Non controlling interest	16.6	15.4
Shareholder's equity	192.7	207.5
Total liabilities and shareholders' equity	1,023.5	1,000.8

The Well Company

Archer

I

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

II

Strong and robust EBITDA development throughout the market cycles

III

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

IV

Quarterly cash distributions to shareholders, at ~11% yield

V

EBITDA growth estimated to 8-15% in 2025





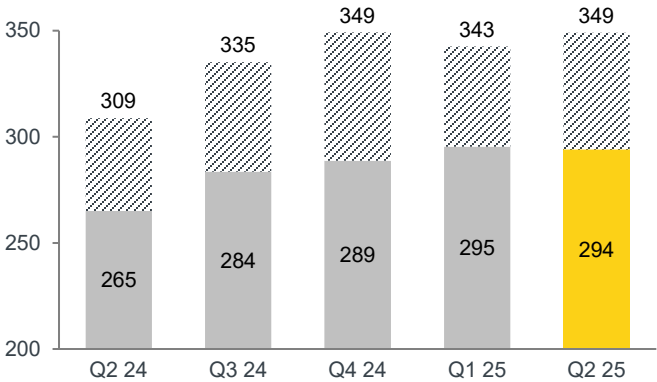
Appendix



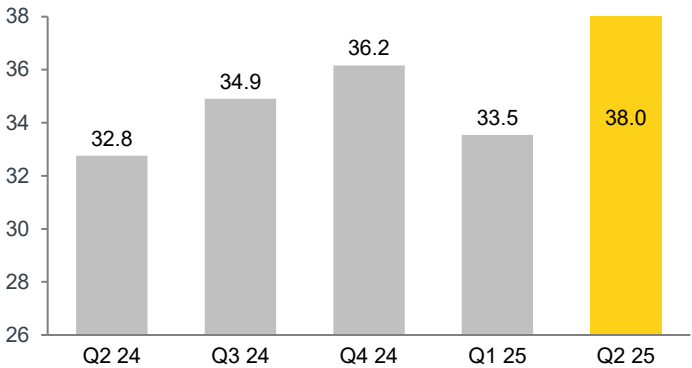
Key financials

Revenue [\$m]

Reimbursable
Operational revenue

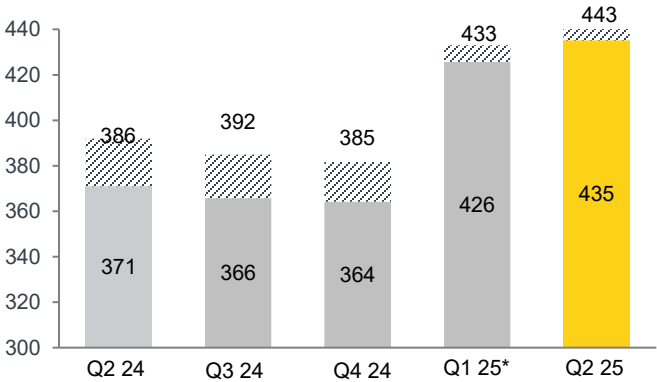


EBITDA [\$m]

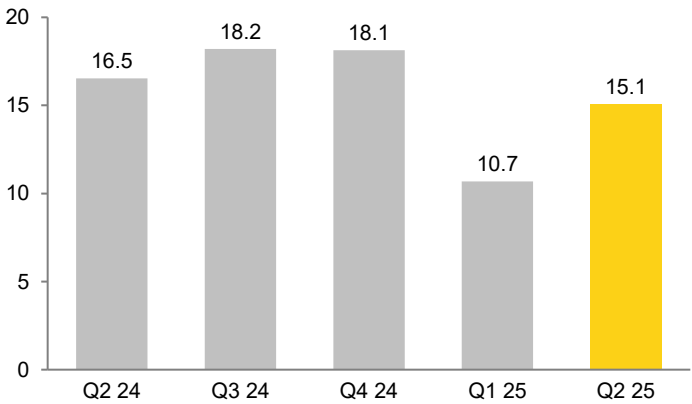


NIBD [\$m]

Prepaid debt fees
NIBD



CAPEX [\$m]



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

Condensed profit and loss statement (unaudited)

(Figures in \$ million)	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25
Operating revenues	265.4	283.5	287.9	249.3	294.4
Reimbursable revenue	43.7	51.6	60.4	48.3	54.5
Total Revenues	309.0	335.1	348.3	342.5	348.9
EBITDA before exceptional items	32.2	36.4	40.3	41.2	41.7
Total Exceptional items*	0.6	(1.4)	(4.1)	(7.7)	(3.7)
EBITDA	32.8	34.9	36.2	33.5	38.0
Depreciation, amortization, impairments, other	(17.3)	(15.1)	(18.1)	(17.1)	(15.9)
EBIT	15.5	19.8	18.1	16.3	22.1
Loss on sale of business	-	-	-	-	(8.7)
Gain from bargain purchase	-	2.6	-	-	(0.0)
Gain on equity method investment	-	-	(0.2)	-	-
Result from associated entities	1.0	0.9	0.3	-	0.0
Net interest expense	(13.8)	(15.0)	(13.9)	(13.7)	(13.6)
Other financial items	(0.6)	0.1	(16.5)	(36.3)	2.9
Net financial items	(13.4)	(14.1)	(30.1)	(50.0)	(12.0)
Net result before tax	2.2	8.3	(12.2)	(33.7)	2.7
Tax benefit / (expense)	(1.1)	(5.4)	(6.1)	4.8	(1.3)
Net profit (loss)	1.0	2.9	(18.3)	(29.0)	1.4
Minority interest	-	(0.4)	-	(0.6)	(0.6)
Net adjustments**	(1.5)	(1.6)	18.8	33.2	12.0
Adjusted net income	(0.5)	0.9	0.6	3.6	12.8

Condensed balance sheet (unaudited)

(Figures in \$ million)	30.06.2024	30.09.2024	31.12.2024	31.03.2025	30.06.2025
Cash, cash equivalents & restricted cash	58.4	58.6	80.6	75.5	49.7
Accounts receivables	173.6	188.2	187.8	201.5	198.2
Inventories	70.6	69.8	75.8	81.8	83.3
Other current assets	56.0	60.3	57.0	73.2	63.5
Investments and loans in associates	12.7	12.3	-	2.3	0.6
Property, plant and equipment, net	302.3	307.8	342.6	345.2	347.0
Right of use assets	29.7	28.4	26.4	25.0	26.8
Goodwill	153.1	158.2	174.0	184.0	192.9
Other non-current assets	32.6	46.5	56.5	62.8	61.5
Total assets	889.0	930.2	1,000.8	1,051.4	1,023.5
Current portion of interest-bearing debt	19.9	15.6	23.2	17.4	18.8
Accounts payable	94.6	103.5	112.2	108.5	103.7
Lease liability current	9.9	10.9	10.9	10.8	9.9
Other current liabilities	158.7	177.8	191.3	209.9	199.9
Long-term interest-bearing debt	402.1	407.2	418.1	478.0	462.0
Lease liability	19.8	17.5	15.6	14.3	16.9
Other noncurrent liabilities	2.1	6.1	6.7	3.0	2.9
Non controlling interest	0.4	0.8	15.4	15.8	16.6
Shareholder's equity	181.4	190.8	207.5	193.7	192.7
Total liabilities and shareholders' equity	889.0	930.2	1,000.8	1,051.4	1,023.5



Condensed cash flow statement – last 5 quarters (unaudited)

(Figures in \$ million)	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25
Operating activities	24.4	19.7	39.4	(13.3)	6.9
Investing activities	(23.4)	(20.1)	(61.9)	(11.3)	(14.1)
Financing activities	(0.5)	(1.6)	52.2	13.0	(22.2)
FX effect	-	2.2	(7.6)	6.6	3.4
Total*	0.5	0.2	22.1	(5.0)	(26.0)

*Includes net movements in restricted cash.

Archer's capital allocation strategy



Strong balance sheet and healthy debt levels

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



Capex maintained at moderate levels

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



Selective accretive bolt-on acquisitions

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



Shareholder returns

- Regular and sustainable shareholder return program
- Quarterly cash distributions of \$5.5m in Q2 and Q3 2025
- Target to increase cash distribution to shareholders over time, in line with growth in earnings