



JHL REVISION ESBJERG ApS

Annual report for 2023

Archer Offshore Denmark A/S
Esbjerg Brygge 28, 6700 Esbjerg
CVR no. 27 96 33 15

Adopted at the annual general meeting on 25 June
2024

Espen Joranger
chairman

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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Archer Offshore Denmark A/S for the financial year 1 January - 31 December 2023.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

Management recommends that the annual report should be approved by the company in general meeting.

Esbjerg, 25 June 2024

Executive board

Jone Kartevold
Director

Supervisory board

Joachim Houeland
chairman

Espen Joranger

Jone Kartevold

Auditor's report on compilation of the financial statements

To the shareholder of Archer Offshore Denmark A/S

We have compiled the financial statements of Archer Offshore Denmark A/S for the financial year 1 January - 31 December 2023 based on the company's bookkeeping records and other information made available by enterprise.

The financial statements comprises income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies,

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the enterprise in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We complied with the relevant provisions of the Danish Act on Approved Auditors and with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), including principles relating to integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the enterprise's responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Esbjerg, 25 June 2024

JHL Revision, Esbjerg ApS
statsautoriseret revisionsanpartsselskab
CVR no. 40 05 29 92

Jim Helbo Laursen
Statsautoriseret Revisor
mne24746

Company details

The company

Archer Offshore Denmark A/S
Esbjerg Brygge 28
6700 Esbjerg

CVR no.: 27 96 33 15

Reporting period: 1 January - 31 December 2023

Domicile: Esbjerg

Supervisory board

Joachim Houeland, chairman
Espen Joranger
Jone Kartevold

Executive board

Jone Kartevold, director

Auditors

JHL Revision, Esbjerg ApS
statsautoriseret revisionsanpartsselskab
Havdigevej 2
6700 Esbjerg

Management's review

Business review

The Company's primary activity is to perform service tasks and trades within the oil industry and related activities, including wireline services to the oil and gas industry in the Danish offshore sector.

Financial review

The company's income statement for the year ended 31 December 2023 shows a profit of DKK 1.486.764, and the balance sheet at 31 December 2023 shows equity of DKK 1.433.541.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
Gross profit		5.863.152	3.935.827
Staff costs	1	-3.421.687	-2.882.987
Depreciation and impairment losses of plant and equipment	2	<u>-580.437</u>	<u>-633.204</u>
Profit/loss before net financials		1.861.028	419.636
Financial income	3	272.602	301.078
Financial costs	4	<u>-206.975</u>	<u>-364.615</u>
Profit/loss before tax		1.926.655	356.099
Tax on profit/loss for the year		<u>-439.891</u>	<u>0</u>
Profit/loss for the year		<u>1.486.764</u>	<u>356.099</u>
Retained earnings		<u>1.486.764</u>	<u>356.099</u>
		<u>1.486.764</u>	<u>356.099</u>

Balance sheet 31 December

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
Assets			
Other fixtures and fittings, tools and equipment		<u>0</u>	<u>580.436</u>
Tangible assets		<u>0</u>	<u>580.436</u>
Deposits		<u>71.800</u>	<u>71.800</u>
Fixed asset investments		<u>71.800</u>	<u>71.800</u>
Total non-current assets		<u>71.800</u>	<u>652.236</u>
Receivables from group enterprises		894.041	1.904.119
Other receivables		<u>6.125</u>	<u>0</u>
Receivables		<u>900.166</u>	<u>1.904.119</u>
Cash at bank and in hand		<u>4.483.757</u>	<u>107.904</u>
Total current assets		<u>5.383.923</u>	<u>2.012.023</u>
Total assets		<u><u>5.455.723</u></u>	<u><u>2.664.259</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
Equity and liabilities			
Share capital		500.000	500.000
Retained earnings		<u>933.541</u>	<u>-553.222</u>
Equity		<u>1.433.541</u>	<u>-53.222</u>
Trade payables		0	718
Payables to group enterprises		3.163.918	2.474.572
Corporation tax		439.891	0
Other payables		<u>418.373</u>	<u>242.191</u>
Total current liabilities		<u>4.022.182</u>	<u>2.717.481</u>
Total liabilities		<u>4.022.182</u>	<u>2.717.481</u>
Total equity and liabilities		<u><u>5.455.723</u></u>	<u><u>2.664.259</u></u>

Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2023	500.000	-553.223	-53.223
Net profit/loss for the year	0	1.486.764	1.486.764
Equity at 31 December 2023	<u>500.000</u>	<u>933.541</u>	<u>1.433.541</u>

Notes

	<u>2023</u>	<u>2022</u>
	DKK	DKK
1 Staff costs		
Wages and salaries	3.406.261	2.876.618
Other social security costs	<u>15.426</u>	<u>6.369</u>
	<u>3.421.687</u>	<u>2.882.987</u>
Number of fulltime employees on average	<u>2</u>	<u>2</u>
2 Depreciation and impairment losses of plant and equipment		
Depreciation tangible assets	<u>580.437</u>	<u>633.204</u>
	<u>580.437</u>	<u>633.204</u>
3 Financial income		
Interest received from group enterprises	0	159
Other financial income	40.800	677
Exchange adjustments	<u>231.802</u>	<u>300.242</u>
	<u>272.602</u>	<u>301.078</u>
4 Financial costs		
Interest paid to group enterprises	0	14.636
Other financial costs	12.600	2.058
Exchange adjustments costs	<u>194.375</u>	<u>347.921</u>
	<u>206.975</u>	<u>364.615</u>

Notes

5 Accounting policies

The annual report of Archer Offshore Denmark A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

The annual report for 2023 is presented in DKK

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Notes

5 Accounting policies

Revenue

Net revenue, which includes maintenance tasks with a high degree of customization and sale of commodities to the offshore industry is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation and impairment of plant and equipment

Depreciation, amortisation and impairment of plant and equipment comprise the year's depreciation, amortisation and impairment of plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Notes

5 Accounting policies

Other fixtures and fittings, tools and equipment 3 years

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Debts are measured at amortised cost, substantially corresponding to nominal value.